REPORT ON
NATIVE PARTICIPATION IN MINING

PHASE I

prepared by the

Sub-committee of the
Intergovernmental Working Group
on the Mineral Industry

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IGWG ON THE MINERAL INDUSTRY
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1. Introduction

In August 1989, the Intergovernmental Working Group on the Mineral Industry (IGWG) formed a Sub-committee to study the nature of native participation in the mining industry in Canada.*

The Sub-committee's objectives were defined as follows:

1. Taking due account of regional differences and the demands of different kinds of mine developments, to document "best practices", with a realistic view of the incidence of the costs and benefits of each. Also, to identify new ways of matching native lifestyles with mineral industry employment opportunities.

2. To identify the concrete steps which governments, mining companies, native groups and individuals can take to substantially boost native participation in mining.

3. To examine what, if any, incentives could be identified and what legal and structural barriers to development could be removed, in order to speed progress toward the goal of increased native participation in mining.

Participation was defined broadly to include employment, provision of services by natives or native-owned companies, financial involvement, and input into mine development and regulatory review processes.

During its first year, the Sub-committee was chaired by British Columbia and co-chaired by the federal Department of Indian Affairs and Northern Development (DIAND). Alberta, Manitoba, Northwest Territories, Ontario, Quebec, Saskatchewan and Yukon participated as members. (Quebec's participation ended in July 1990.) Saskatchewan will chair the Sub-committee during its second year of operation.

During the initial deliberations of the Sub-committee, a number of specific tasks were identified including:

- documentation of best case histories involving the participation of natives in the Canadian mining industry
- compilation of a selective annotated bibliography
- documentation of existing government practices, procedures and policies which enhance native participation in the mining industry
- documentation of the mining native demographic relationship
- examining possible incentives that could be used to meet the goal of further native participation in mining
- identification of the barriers to native participation

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* For the purposes of this study, "native" includes the following aboriginal populations: Status and Non-status Indians, Innu, Metis, Inuvialuit and Inuit. The mining industry covers all phases including exploration, pre-construction, construction, mine/mill operation, smelting and refining, maintenance and mine reclamation.

- identification of the ways in which the traditional native lifestyles can be integrated with the wage-based economy
- listing of ways that governments, companies, native groups and individuals can or may take to boost native participation in mining.

Given the broad range of issues bearing on the topic of native participation in mining, the Sub-committee chose to take a two-phased approach to the study. This involved the completion of the current report, a preliminary Phase I report (a purposed input for discussions with native groups). A Phase II report will be completed in 1991. This approach was approved by IGWG in March, 1990.

In Phase I, a number of issues were addressed. A selective annotated bibliography was compiled to review previous work in this area and provide a basic background of knowledge on which Sub-committee members could build. A demographic profile of native Canadians was developed showing, to the extent possible, potential linkages between native people and the mining industry.

A survey was made in each participating jurisdiction to identify programs, policies and services that natives and the mining industry could use to increase native participation in mining. Eight "best" case studies, selected from four jurisdictions, were prepared to examine the factors which contribute to successful native participation in current mining operations. Associations representing the mining and exploration industries have expressed support and willingness to assist IGWG as the Sub-committee carries out its work.

2. Report Summary

The main body of this report provides a summary of each area of the Sub-committee's work. Readers will find more detail on each area in the Appendices.

2.1 Selective Annotated Bibliography

The bibliography (Appendix A) was developed to meet two main objectives. First, it was intended to identify source materials which Sub-committee members could use to develop their knowledge base. The second objective was to provide a stand-alone reference document which could be made available to native organizations, the mining industry, governments and other interested parties.

A variety of sources were used to locate appropriate materials including data base searches, personal contacts, other bibliographies and recommendations from Sub-committee members. Although much of the material deals with the Canadian experience, some relevant material related to Australia, Greenland and the United States was also included.

For convenience, material in the bibliography has been grouped into seven sections. The first section, General Works, covers a range of topics including the socio-economic impacts of mine developments, case studies of native/mining company relationships, native perspectives on mining and sources of data on the mining industry which could be of assistance to native people.

The Employment and Training section provides sources for a number of cases which illustrate examples of native participation in mining and the factors which affect it. Relatively little material was located related to Business Opportunities and Investment. The Regulation section provides several references illustrating native involvement in government regulatory processes in exploration, mine development and town development. Other Bibliographies provides references for additional material relevant to several aspects of native participation in mining. The final section, Single Resource Communities, provides references on an issue which is of importance to the mining industry generally but is also relevant to the issue of native participation.

Additional reference material has been located and work will continue to review new material and expand the bibliography in Phase II.

2.2 The Mining-Native Demographic Relationship

It has been noted that natives are generally less well off economically than the rest of Canadian society. Building upon existing demographics in 1989, the native profile was expanded with a view to demonstrating both the relationship between mining and natives and, if possible, the potential for native participation in the mining industry. The report (Appendix B) examines a number of different native demographic characteristics and compares each to the general population nationally and provincially. Data were obtained from the 1986 census and from available maps.

There were over 711,000 native people in 1986 representing some 3 percent of the Canadian population. Although the largest number lived in Ontario and British Columbia, it was only in the Northwest Territories that they were the dominant ethnic group (59 percent). Nationally, the 452,000 native labour force represented approximately 2 percent of the Canadian labour force but, based on the most recent data available (1981), only 1.7 percent of the mining, quarrying, and oil and gas industry labour force were native.

The native population was notably younger than the Canadian society as a whole with approximately 47 percent being under the age of 20, compared to 29 percent for the rest of society. Natives were more poorly educated than the general Canadian population as some 28 percent of working age natives (between 15 and 65) had less than grade nine education compared with 18 percent of non-natives in the same age category.

Unemployment rates for natives were significantly higher than for non-natives (14 percent compared to 7 percent). Also, the average income reported by individual natives was only 70 percent of that reported by non-natives. The report also shows that for all the indices there were significant variations from one jurisdiction to another.

The Sub-committee's review shows that the available data are not sufficient to permit definitive conclusions to be made on either the current level of native participation in mining or on the potential for increased participation. Much more statistical work would need to be undertaken to make conclusive statements on these issues, probably in the form of an extensive, direct survey of native communities and mining and exploration companies.

The data do indicate, however, that opportunities likely exist to increase native employment in this industry, in particular where both natives and mining companies are motivated to establish a working relationship. Two key characteristics of the native population led to this proposition:

1. The close proximity of native communities to mineral industry activities; and,

2. The relative youth of the native population as compared to the aging general Canadian population.

However, further analysis would be required to assess the potential opportunities for natives in mining and the potential labour pool within native communities, both existing and with skill/education enhancement, that could be utilized by nearby mines and associated activities.

2.3 Government Programs/Policies for Native Participation in Mining

Eight jurisdictions (Alberta, British Columbia, Northwest Territories, Ontario, Quebec, Saskatchewan, Yukon and the Federal Government) provided input to the topic of "Government Program/Policies for Native Participation in Mining" (Appendix C). The intention was to document what is being done by governments in participating jurisdictions to encourage and assist native participation in the mining industry.

The programs/policies/services were categorized into four areas:

Consultation:
These require or encourage mining companies to consult with or inform affected native groups about proposed mining projects.

Financial Assistance:
These provide direct financial aid to the mining industry and related businesses.

Training:
These are designed to improve the skill and educational level of natives in order to improve their employment opportunities.

Liaison and Mediation:
These assist natives in their communications and negotiations with mining companies.

The consultation programs/policies of the jurisdictions that participated in this topic vary from those with objectives "to facilitate and expedite sound, publicly acceptable mining ventures through a comprehensive procedure for review and approval" of mining to the encouragement of "long-term employment and participation by native individuals, groups and businesses in economic activities". Generally, the form of assistance provided by the jurisdictions includes a formal process which identifies the economic, environmental and social aspects of proposed mining developments. In some instances, financial assistance is made available with respect to the cost of technical and legal consultants.

Financial assistance programs/policies vary from grants of up to $7,500 for approved prospecting programs to $300,000 to assist communities with the development and initial operations of needed businesses. In some instances, funding is available only to native business development, while in other cases, such funds are not limited to only the native community. The forms of financial assistance include grants, loan guarantees, actual loans and matching funds. These programs assist native business development, encourage employers to hire natives and encourage financial institutions to lend money to viable small native businesses.

Training programs often provide natives with temporary employment opportunities in order that they might develop entry-level work skills and/or provide practical instruction in mining activities. Training programs are both on-the-job and in the classroom. On-the-job training often includes salary subsidies. In some instances, grants are provided to support school boards in the development and delivery of programs and services that will address the needs of native students.

Liaison and mediation programs often provide a means by which a specific jurisdiction may coordinate native-related issues. In some instances, these programs provide a coordinated career planning, referral and placement service. Such programs also increase the awareness of individuals regarding employment and business opportunities in the mineral industry.

2.4 "Best" Case Studies of Native Participation in Mining

One of the principle reasons for the creation of the Sub-committee was that, in general, the level of native involvement in the Canadian mining industry was considered quite low. However, there are mineral developments across the country where levels of native involvement are higher. As part of its mandate, the Sub-committee undertook to investigate a number of these developments in order to discover the reasons why they have a higher degree of native involvement.

An informal survey of mines in each jurisdiction was undertaken in order to compile a list of developments that could be considered as potential case studies. In order to cover as wide a range of the Canadian mineral industry as possible, a number of factors including: type of operation (open pit/underground) ; commodity produced (metallic/non-metallic); geographic location (fly-in/fly-out vs. local hire); and, on-reserve or off-reserve were considered prior to selecting the developments for the case studies. The following eight developments (Appendix D) were selected:

Colomac Mine	Northwest Territories
Nanisivik Mine	Northwest Territories
Dona Lake Mine	Ontario
Golden Patricia Mine	Ontario
Cluff Lake Mine	Saskatchewan
Golden Bear Mine	British Columbia
Sechelt Aggregates Mine	British Columbia
Sumas Clay Mine	British Columbia

Of the eight case studies:

- all, except Sechelt Aggregates, and Sumas Clay are located in remote areas:
- four are fly-in (Colomac, Golden Patricia, Cluff Lake and Golden Bear), Dona Lake is a drive-in operation and the other three are townsite operations;
- Sechelt Aggregates is located on Band lands and Sumas Clay is located on an Indian reserve;
- three are underground operations (Nanisivik, Dona Lake and Golden Patricia), three are open pit (Sechelt Aggregates, Colomac and Sumas Clay) and the other two are combined operations; and,
- a variety of minerals including gold (Colomac, Dona Lake, Golden Patricia and Golden Bear), lead and zinc (Nanisivik), uranium oxide (Cluff Lake) and industrial minerals are produced.

During the preparation of the case studies, mining companies, relevant native organizations and government departments were contacted. Each case study provides details on the mine development, the local people, the role of governments, the nature of company-native consultations or negotiations, and identification of successes and challenges from the viewpoints of the major stakeholders. Where available, both quantitative and qualitative costs and benefits, as perceived by mining companies and natives, were summarized.

There are no common conclusions which can be made about the reasons for higher native participation at all eight of the mineral developments. One reason for this is that two of the developments are located on-reserve or on Band lands, while the rest are located off reserve, so that different government administrative and approval systems apply in either case.

The two on-reserve and on Band land developments, the Sumas Clay Mine and the Sechelt Aggregates Mine, respectively, demonstrate that the key to mutually beneficial development was strong initiative on the part of both native communities and mining companies to establish a successful mining venture. The Sumas case exemplified the resourcefulness and perseverance of natives in developing an on-reserve mineral deposit. The Sechelt case showed how the willingness to negotiate on the part of the mining company and the native Band resulted in the quarry development on Band lands.

A more complete reading of the six off-reserve case studies indicates that there is one thread that runs through all of them. In all instances, prior to mine development, the mining company entered into extensive consultation/negotiations with local native organizations. In all cases, there was government involvement in the negotiations and in most cases, an agreement was signed between the company and either local natives or government. It appears that by talking to the local natives, the companies have been able to show that they are serious in their desire to involve natives in their operations in a significant manner, and the natives have responded by becoming involved.

The off-reserve case studies also provide numerous examples of the efforts employed by the mining companies to accommodate the native workforce.

Examples include:

- extra efforts to train and hire natives;
- accommodation of native heritage languages in the work place;
- modification of the normal work cycle to allow for native's traditional lifestyle;
- early notification of job opportunities within native communities; and,
- encouragement of increased participation of native businesses.

The principle conclusion that may be reached from these off-reserve case studies is that if a mineral development company is willing, for whatever reason, to involve natives in its operation, higher levels of native participation are achievable.

2.5 Conclusions

This past year's work has provided an opportunity for the mining departments of several jurisdictions to develop and share information on native participation in mining within their jurisdictions. Largely through the review of "best" case studies, the native communities and mineral industries in each jurisdiction were found to present a diverse set of challenges in defining a successful native-mining relationship. Equally diverse are the government programs and policies designed to assist natives and industry in meeting these challenges.

The Sub-committee's work, which will now continue into Phase II, will focus on identifying the impediments, costs and benefits, and ways to increase native participation in mining.

Appendix A

A Selective
Annotated
Bibliography

APPENDIX A

Native Participation in Mining
A Selective Annotated Bibliography

GENERAL WORKS

Berndt, Ronald, M, ed. *Aboriginal Sites, Rights and Resource Development.* Published for the Academy of the Social Sciences in Australia. Perth: University of Western Australia Press, 1982.

This book discusses the conceptual and empirical relationship between the Aboriginal peoples and the land that constitutes part of their ordinary livelihood. The book is a compilation of papers submitted at a symposium entitled, "Aboriginal Sites and Rights, and the Impact of Resource Development". The topics discussed are varied; they range from anthropological studies on Aboriginal concepts and perspectives to a specific case study done on the Aborigines in the uranium industry in the Alligator Region.

Borealis Exploration Limited. *The Socio-Economic Impacts of the Borealis Roche Bay Magnetite Project.* Calgary: Borealis Exploration Limited, 1983.

The purpose of this study was to examine the socio-economic impacts of the Borealis Roche Bay Magnetite Project. The areas of study include the Melville Peninsula communities of Hall Beach and Igloolik; communities in the Baffin and Keewatin regions; communities of the "north" including the central and eastern provinces and the Northwest Territories; and Canada as a whole. The study analyzes basic demographic data and community concerns as well as hunting and employment issues.

Cassidy, Frank and Norman Dale. *The Implications of Comprehensive Claims and Settlements for Natural Resources in British Columbia.* Lantzville: Oolichan Books and The Institute on Public Policy, 1988.

This book examines the impact that native comprehensive claim settlements could have on the economic, political and environmental dimensions of natural-resource-centred activities in British Columbia. Attitudes, as revealed in present initiatives or current plans of native groups, are analyzed and used as a basis for assessing future possibilities.

A scenario-based approach is used. The first scenario, "Partners in Development", pictures what might happen if settlements reflect a consensus that development and generation of economic benefits is paramount. In this approach, all parties would agree that a businesslike approach should be emphasized and economic values would take the highest priority. The "Allies and Adversaries" scenario presents a more complicated picture where, in some cases, the various parties would work together as allies in resource development and management and, in others, they would be adversaries. Bureaucracies and intergovernmental coordinating committees would proliferate and regulation, mediation and coordination would become the focal point. "Homeland and Hinterland" is the third scenario. It envisions

a series of well-defined jurisdictions within which native control and use of resources would predominate. The economic, political and environmental dimensions of resource use and management would vary greatly from region to region. Conflict would remain high.

A number of case studies documenting past experiences of native attitudes towards resource development are presented.

Cousins, David and John Nieuwenhuysen. *Case Studies of the Australian Experience.* George Allen & Unwin Australia Pty Ltd, 1984.

A comprehensive review of the mining industry in Australia which covers the major examples of the interaction between Aboriginals and mining companies in northern Australia. The authors concentrated on three issues: the extent to which Aboriginals have shared in the fruits of the mining boom; whether and how new land rights have helped Aboriginals protect their interests as affected by mining; and, the contribution of mining to the economic development of remote Aboriginal communities.

The study is based on six case studies of operating mines covering a number of different commodities and types of operations (bauxite, lead-silver-zinc, copper, manganese, uranium,iron ore) as well as exploration operations for diamonds. The operations were selected from three different states to illustrate the differences in the legal frameworks governing Aboriginal-mining company relationships. All except one of the operations were located close to existing Aboriginal communities. Case studies examine the issues of: Aboriginal employment and training; company motivations and employment costs; productivity; company recognition of cultural differences; social responsibility for adjacent communities; discrimination; union influence; Aboriginal attitudes to industrial employment; and, types of work offered to Aboriginals.

The case studies revealed that mining operations have often resulted in the destruction of sacred sites, alteration to the landscape and environmental pollution and reduction in animal and bird populations. Social problems have occurred and Aboriginal communities have been placed under stress. Generally, direct Aboriginal involvement in new mining towns has been minimal. Adjustment to mining has frequently been associated with a decline in traditional authority patterns and adverse effects on morale and community discipline.

On the other hand, through mining, Aboriginals have gained new community facilities, improved transport and communications, access to better health and medical facilities, some employment and training opportunities and royalties. Modern technology has also assisted to some extent in preserving the traditional culture. However, the costs and benefits of mining operations are not evenly distributed among Aboriginal groups, since they depend to a large extent on the nature of the individual mining operation.

Opinions on how Aboriginals can be made to benefit more from mining and be protected from its potentially adverse effects on their lifestyle range from reliance on unfettered operation of market forces combined with Aboriginal self-reliance at one extreme to comprehensive government regulation at the other. Recently there has been a trend to industry self-regulation and the Australian Mining Industry Council

and the Australian Petroleum Exploration Association Ltd. have produced Codes of Practice for their members.

Contains maps, tables, Appendix (Codes of Practice) and a select bibliography.

Dahl, Jens. *Miners in the Municipality of Umanaq.* Prepared for the Institute of Eskimology, University of Copenhagen. Copenhagen: Kragestedet, 1976.

The study focuses on the significance of the Marmorilik mining operation as an employment option for the local population. The study examines various methods for effective recruitment to increase the stability of the local labour force employed in the mining operation. The social and working conditions of the mine are examined in the context of improving permanent employment.

____.*Mining in a Sealing Community.* Prepared for the Institute of Eskimology, University of Copenhagen. Copenhagen: Kragestedet, 1976.

The study focuses on how a mining company affects the economic stability of a sealing community. In general, the traditional hunting lifestyle is examined in relation to the degradation of the surrounding environment by the Marmorilk mine thus affecting various sealing activities of the community.

East Kimberly Impact Assessment Project. *An Aboriginal Economic Base: Strategies for Remote Communities.* Extracts from the "Report of the Committee of Review of Aboriginal Employment and Training Programs". East Kimberly Working Paper No.7. Australia: Australian Government Publishing Service, 1985.

The report examines the diverse situations in which Aboriginal people live and how an economic base can be addressed and developed. Recommendations are made for the re-establishment of an Aboriginal Land Fund within the Aboriginal Development Commission to ensure that sufficient resources are directed towards providing the necessary assistance for land purchases. A second recommendation was the establishment of a Community Enterprise Development Fund to enable Aboriginal people to engage in productive activities that can generate income in keeping with their chosen life-style.

In addition to the recommendations made above, the statement was made that aboriginal peoples living in remote communities should be encouraged to apply for policies and programs to provide them with the opportunities to move away from a situation of dependence on the government. It is recognized, however, that such opportunities are not limited to remote Aboriginal populations since community-owned and controlled enterprise developments could operate in the larger towns and cities. It is noted that these developments have the potential to improve Aboriginal prospects in the wider labour market.

Hansen, Finn. *The Economic Activities in Umanaq: The Establishment of Lead-Zinc Mining and the First Year of Operations.* Prepared for the Institute of Eskimology, University of Copenhagen. Copenhagen: Kragestedet, 1976.

This booklet discusses some aspects of the economic activities in Umanaq. The focus of the study is on the economic relations between the municipality and the mine during the period of its establishment and its first year of operations. There is a

brief comparison to Northern Canada in respect to the exploration and exploitation of natural resources.

Hertz, *Ole. An Ecological Study of the Consequences of Mining for Fishermen and Hunters of Uvkusigssat.* Prepared for the Institute of Eskimology, University of Copenhagen. Copenhagen: Kragestedet, 1976.

This booklet discusses the perceivable effects of mining in Marmorilik in relation to the ecological conditions around Uvkusigssat. The significance of the changes caused by mining for families of the local fishermen and hunters are examined.

Lazore, Glen. *Native Peoples and Mining.* Prepared for the Human Resources Group, Energy, Mines and Resources Canada. Ottawa: Supply and Services Canada, 1977.

An indigenous person's perspective on the factors which have limited native participation in mining and on changing attitudes which are improving native employment opportunities. Includes data on Indian linguistic groups and economic activity with maps showing location of the Indian population, settlements, reserves and mining regions. Suggests measures to increase native participation in mining.

Lack of knowledge on the part of native people regarding the educational requirements for employment in the mining industry and mining industry attitudes towards native people are the two main reasons cited for the low level of participation in the mining industry. Suggested changes in management practices to recognize cultural values of native people could include provisions for time-off in the hunting season, management and supervisory sensitivity training and innovative transportation methods. Indigenous people should be made more aware of employment opportunities in mining. Apprenticeship and training courses in skills and trades directly related to mining should be provided by industry, wherever possible. Opportunities for dialogue with management should be readily available. Within new mining communities, segregation of native peoples must be avoided.

Nelson, Connie, et al. *Hemlo Human Services Update 1985.* Prepared for the Ontario Ministry of Northern Development and Mines. Lakehead University: Centre for Regional Development, 1986.

Reviews the impact of the Hemlo mining developments on the human services in five communities in the region. Each community is viewed in relation to the implications of the mine developments for housing, social services, health, recreation, internal transportation and selected community education programs.

All communities seem to lack sufficient representation on human services planning and decision-making boards and committees. In addition, there appears to be a lack of organizational structure that would support coordination of existing specialized services to these communities at the user level. Two Indian communities are not directly affected by the immediate mine developments but may feel longer term consequences.

Specific recommendations are made dealing with particular topics and communities and a monitoring framework is suggested.

Northern Miner. *Mining Explained: A Guide to Prospecting and Mining.* Toronto: Northern Miner Press, 1990.

Describes in lay terms some of the basic processes involved in the mining, oil and gas industries. Some of the topics included are: elementary geology, mineralogy and petrology; high-tech prospecting; safe-guarding the environment; sampling techniques; development of the mine site; working in the mine; metal markets and mining research. Included is an extensive list of additional references and a glossary of terms.

Wojciechowski, M.J., ed. *Native Participation in Mineral Development Activities.* Proceedings of the National Conference on Native Participation in Mineral Development Activities. Kingston: Centre for Resource Studies, 1984.

Includes papers by various authors on: Canada's mineral endowment, native perspectives on mineral development, economics of mining, native participation options, mineral activities and native involvement on Indian reserves, equity participation in mineral activities on off-reserve lands and employment opportunities in mining. Includes a summary and recommendations, a digest of the discussions and a list of participants.

Conference objectives were to undertake a practical examination of alternative approaches to native participation in mineral development and to establish a common understanding amongst participants regarding the various attitudes and practices of native peoples, companies and governments regarding native participation. Native peoples' attitudes and understanding of mineral development vary across the country from favouring development to being unconditionally opposed. Government and company attitudes also vary. Information regarding mineral development is available but native people require assistance in accessing and interpreting it. On reserves, the two Indian Minerals Directorates of the Department of Indian and Northern Affairs can provide assistance. Mineral development issues in the two northern territories, where there are few reserves, are somewhat different from those in the rest of Canada where federal/provincial issues are important. Participants recommended five follow-up activities:

- an independent review of federal government mineral policy, as it relates to Indians;
- clarification of federal/provincial issues relating to ownership of minerals on Indian reserves;
- establishment of a native institution to gather information and provide expertise on mineral development activities to native people;
- preparation of a handbook for native people, outlining the process of mineral exploration and development in Canada, and further sources of information;
- a second conference or series of regional conferences on the topic of native participation in mineral activities, with greater emphasis on company/native interaction and less participation by government.

Wojciechowski,M.J.and Katherine A. Graham. *Sourcebook For Native Participation In Canadian Mineral Activities.* Kingston: Centre for Resource Studies, 1985.

Developed following a conference on native participation in mineral development at the Centre for Resource Studies in March 1984 where native participants raised the difficulty of finding and using information on minerals and mining.

Part I provides basic information on the nature of the mining industry, the sequential nature of mineral activities and the costs and risks of mining. Areas of opportunity for native participation are described, illustrated by lists of job classifications of potential interest to natives in three operating mines. Federal and provincial jurisdictions and responsibilities, on- and off-reserve, are discussed. The role of negotiation in mining activities is outlined in terms of different approaches which can be taken to achieve the greatest possible social and economic benefits from a development without damaging its economic viability.

Part II sets out questions which should be asked by native people who are beginning to look at participation in the mineral industry. Information sources to answer each of the questions are identified for a broad range of topics including basic information on mineral potential and mineral activities, job skills, taxes, treaty entitlements, unions, employment, entrepreneurial activities and service and supply contracts.

Part III provides lists of readily available sources of information including basic written information, assistance programs, instruction courses and organizations and individuals that can help.
Appendix I provides a detailed list of relevant books, papers and reports. Appendix II contains a brief description of several native entrepreneurial ventures to illustrate native participation in mineral exploration, development and production.

EMPLOYMENT AND TRAINING

Babcock, Mike. *"A Saskatchewan Mine and Its Native and Regional Relationships."* Uranium and Nuclear Energy 1988: Proceedings of the Thirteenth International Symposium held by the Uranium Institute, London, 7-9 September, 1988. London: Uranium Institute.

This paper outlines the hiring and training methods used by Cameco at its Rabbit Lake uranium mine in northern Saskatchewan, the regional demography and the economic benefits to northern Saskatchewan. There has been an affirmative action hiring programme throughout the development and life of the Rabbit Lake operations. Employees from several northern communities and Saskatoon are flown in and out for one-week shifts. Recruiting is done in virtually all the northern communities. The company, the federal government and the provincial government cooperate to provide specific job training and continuing training. A bibliography is included.

Bone, R.M. *Proceedings: Conference on Commuting and Northern Development.* Saskatoon: Institute for Northern Studies University of Saskatchewan, 1979.

This report discusses the strategies for mixed development in the North. The strategy was divided into two parts: the first strategy concerns local development which stresses small projects at the local community level; the second strategy

concerns large-scale industrial development which will satisfy national needs and add to Canada's international position.

Within this framework, the Institute for Northern Studies focused on the importance of commuting to mines from communities. This approach linked the wage employment benefits from large industrial projects to local communities which have little or no economic base. Topics under discussion ranged from the effects commuting has on the native people to the company's experience in scheduling with the desire to accommodate the needs of the Northerner. The report includes sections on a question and answer period covering the various sections of the conference.

Burling, Al. *"Native Employment at Hudson Bay Mining."* CIM Bulletin, Vol. 72, no. 812, December 1979

Describes the efforts of Hudson Bay Mining and Smelting Co., Limited to increase the number of native people in its permanent workforce at its Flin Flon and Snow Lake operations. In consultation with the Manitoba, Saskatchewan and federal governments, a Native Employment Program was established and a full-time native employment co-ordinator was hired. Selection and recruitment of potential employees was carried out by the co-ordinator and a federal representative. Initial visual presentations were made in communities followed by a tour of Flin Flon by a potential employee and his wife. If the potential employee was interested and passed a medical exam ,he was offered employment through the company's Native Entry Program.

Under the program the potential employee operated in a work pool for two months gaining experience in the majority of the surface departments of the mine in addition to receiving extensive orientation and familiarization. At the end of this period, the employee was transferred to a permanent position. The federal government provided financial support related to job interviews and medicals, employee relocation and a training allowance to the company. The provincial government provided support related to commuting, work clothes, recreation,housing and home advisory service.

Lack of housing was a major concern of the program. Problem areas identified included developing self-confidence in native employees, efforts to get native people to break with some traditional habits while retaining their cultural identity and the need to have native employees resist pressures to return to their communities.

DPA Group Inc. with B.Perlman. *Opportunities for Rotational Employment in Yukon.* Prepared for Economic Development: Mines and Small Business, Yukon Territorial Government. Calgary, 1987.

This study examines the potential for Yukon communities and Yukon-based resource projects to use the rotational employment concept, also referred to as fly-in/fly-out employment. Corporate requirements for labour and accommodations are assessed, taking account of past and current practices in northern Canada. The capability of Yukon communities to service major projects is appraised in terms of labour supply, community services and amenities and air transportation. Experience in other resource projects is reviewed to identify the social impacts of commuting. The potential social impact on several Yukon communities is assessed for four generic

types of rotational employment which are considered relevant for Yukon i.e. large scale projects, major regional projects, local projects/local feeder routes and projects with a designated terminus.

Fourteen recommendations are developed to address the three main issue areas of: corporate requirements and performance; Yukon capabilities for rotational employment; and, socio-economic impacts. A bibliography is included.

DPA Group Inc. and Intergroup Consulting Economics Ltd. *Northern Employment and Training in the Oil and Gas Industry.* Environmental Studies Revolving Funds Report No. 024, 1986.

In 1984, the Social Issues North Committee of the Environmental Studies Revolving Fund commissioned this study to determine the key factors which enhance or inhibit the abilities of oil and gas companies in northern Canada to train and employ northern residents. Recommendations on strategies to enhance the nature and extent of northern participation in northern oil and gas activities are included.

To obtain the information for the report, consultations and interviews were conducted, a review of previous reports was done and an industry and government workshop was held.

Documentation of past efforts industry has made to employ natives and barriers that exist is provided. The primary recommendations of the report included: industry use of employment brokers; job descriptions targeted towards Northerners; community skills inventories; description of realistic educational barriers and advancement opportunities; realization by Northerners of efforts and sacrifices necessary; more business and money management pre-employment training; and more emphasis on subcontracting and joint venturing arrangements.

Hobart, Charles W. *"Inuit Employment at the Nanisivik Mine On Baffin Island"* Etudes Inuit Studies, Vol.6, No.1, 1982

This paper reports on four years of employment (1974-1978) of Inuit during the construction and the operations phase of the Nanisivik mine on northern Baffin Island in the Northwest Territories. A distinctive feature of this employment is that native employees must work for six weeks before taking a rest break at home, while employees from southern Canada have a work period twice that long.

A profile of the Inuit mine employees shows their number, age and sex, home communities, marital status and number of children. The Inuit employees' work record is also shown in terms of number employed and work duration, occupations and classification levels, work performance, termination of employment and turnover rates and wage income from employment.

The employment records show that the Inuit turnover rate has been high, with many working no more than one or two months. However, their work performances have typically been rated as above average. Many employees reported that they liked their work activity and their work associates as well as the money that they earned, so that in many ways they experienced the mine employment positively.

Interviews with workers and their wives showed clearly that while they wanted and needed the money to be earned at the mine, they did not like the lengthy absences of the men from home that this work necessitated. The wives were particularly negative towards this employment, complaining about meat shortages and other problems that they experienced during their husbands' absences. However, no evidence was found that any of the workers' home communities as a whole had experienced meat shortages due to the mine employment.

It was concluded that the six week long work period confronts Inuit with a dilemma. On the one hand is their need for wage employment so that they can defray the increasingly heavy capital and operating costs associated with harvesting local natural resources. On the other hand, the long work imposed absences are in conflict with both the traditional closeness of the Inuit family and the hunters' ingrained sense of responsibility to provide meat for their families. Resolution of these dilemmas, recruitment of higher proportions of Inuit workers, and reduction of their turnover rates and providing Inuit with increased employment opportunities and reduced welfare dependency will all depend upon reducing the length of the work period.

____. *Rotation Work Schedules in the Northwest Territories: A Study of Variations and Consequences*. A report to the Planning and Development Division, Department of Economic Development and Tourism, Government of the Northwest Territories. Edmonton: December,1976.

The objective of the study was to review existing literature and conduct original research in the Northwest Territories in order to investigate the effects of differing work rotation schedules in isolated locations on workers, their families and their communities. A review is presented of published research reports relating to rotation employment addressing the topics of employee reaction to native employment, descriptions and evaluations of work rotation employment schemes, human reactions to isolation and/or confinement, prolonged exposure to harsh or unfamiliar surroundings and published literature on the Inuit. Descriptions, data and an assessment are presented on a number of rotation work arrangements: Rabbit Lake uranium mine(seven days work/seven days home); Gulf Oil Canada exploration (fourteen/seven); Gulf Oil Canada Mackenzie Delta operations(fourteen/seven); Pan Arctic Oils Ltd.(twenty/ten); Hire North road construction (thirty/seven); and, Strathcona Mineral Services Nanisivik mine construction(forty two/fourteen).

Twelve recommendations are made with respect to ways in which work rotation employment might be regulated to best safeguard the welfare of the native workers and families affected by such employment in the Northwest Territories. Contains a list of sources cited. Appendix 1 discusses the need for a policy with respect to rotation work schedules in the NWT.

Mackie, Gordon. *A Job to be Done: How successful Employers Work with Natives*. Written for the Public and Inter-Governmental Affairs Program, Indian and Northern Affairs, Canada, B.C. Region, 1984.

This report emphasizes the elements of corporate planning and personnel policy that contribute to the successful employment of native people. Research involved a survey of the policies and practices of a number of Canadian companies in the forestry, oil and gas, mining, and public utilities sectors. The report focused on the

people who were directly employed to carry out the operations of a resource developer. In addition, attention was devoted to the operating phase of development, as opposed to the construction phase.

Ways to increase the number of native people in the labour force are discussed. The "best practices" of natural resource development companies that currently have successful policies and practices for hiring/training native peoples are summarized. Personnel systems (recruiting, orientation, training, staff and counselling) and the general aspects of employment concerning cultural differences and the need for flexibility and modification are covered.

Stevenson Kellogg Ernst and Whinney. *Native Training and Employment Opportunities in Northern Ontario.* Prepared for the Ministry of Skills Development. October, 1989.

This report examines potential native employment opportunities and training needs in Northern Ontario. The report focuses on proposed or current mining and hydroelectric projects. In addition, the Manitoba Limestone project was included to exemplify possible training and educational programs.

The study is divided into six sections. The sections covered are as follows:

- Labour requirements associated with development projects
- Profile of the relevant native population base in the labour market catchment areas of the development projects
- Identification of gaps between existing native skills and requirements of development projects
-Assessment of the impact of traditional native pursuits on training and transferability of skills
- Current availability of relevant training
- Implications of findings for the Ministry of Skills Development

The report indicates that the existing training approaches for natives within Northern Ontario have limitations. It was concluded that new training approaches are required to address the needs of the native population. In general, the approaches would address the conflicts between traditional and non-traditional life and the overall social and physical requirements (ie. relocation) of the training and educational programs.

Storey, Keith and Mark Shrimpton. *Long Distance Labour Commuting in the Canadian Mining Industry.* Working Paper No.43, Kingston: Centre for Resource Studies, 1988.

The report provides a discussion of the use of long distance labour commuting(LDC) and an analysis of data from those mines currently using this system. The issues arising from the use of LDC are discussed and the prospects for its future use are examined.

LDC has becomes an attractive alternative given the economic and social limitations of resource towns, changes in the regulatory and policy environments, technological and infrastructural changes in the transportation and mining sectors, the recent economic restructuring that has occurred in the mining industry and worker preference. Use of LDC has grown rapidly, particularly in gold, uranium and zinc mining in the Province of Saskatchewan and the Northwest Territories. Rotation

periods and shift length varies but the majority of workers work a seven day on, seven day off rotation and 12-hour shifts.

The use of LDC raises a number of issues related to labour matters, the relative costs of LDC versus the mining town option and possible limitations in its use. LDC provides both advantages and disadvantages for workers and their families. It also has important implications, both positive and negative, for northern regional development policy. While many of the socio-economic outcomes of LDC are positive, questions on such issues as the economics of LDC, labour-management relations, fly-over effects, local training and recruitment and worker and family effects all need to be given serious attention at the policy level to maximize positive benefits and minimize negative outcomes of this approach to mineral development.

Watt, Erik. *"Native Miners."* The Northern Miner Magazine, February, 1990 pp.9-13

Reviews the results of efforts by four mines in the Northwest Territories to hire native workers for their operations. Briefly outlines some methods used to attract and retain native employees and the resulting successes and problems experienced by the individual mines.

Wenzel, George W. *"The Integration of "Remote" Site Labor Into the Inuit Economy of Clyde River, N.W.T."* Arctic Anthropology, Vol. 20, no. 2, 1983.

The early 1970's saw the expansion of large-scale industrial interests, primarily mineral and hydrocarbon development, into parts of the Northwest Territories well north of the tree line and far removed from middle northern and metropolitan Canadian centres of population. Not long afterwards, Inuit from villages scattered across the N.W.T. were brought into the sphere of non-local industrial employment via the phenomenon of commuter or remote site labour.

This paper examines the factors which led individual Inuit in Clyde River to accept work at the Nanisivik mine at Strathcona Sound. One of the main factors contributing to their acceptance was the declining market for two indigenous commodities(polar bearskins and whalebone carvings) which placed a severe strain on the Clyde native economy. Hunters, in particular, were affected since they lacked the cash income required to maintain their equipment. Disposition of the cash income from the mine employment within Clyde River is traced. In the author's perspective ".. it appears as if commuter wage employment was principally viewed as a means of restabilizing the subsistence component of the economy." References are included.

BUSINESS OPPORTUNITIES

Sinclair, William E. *Native Self-Reliance Through Resource Development.* Proceedings of the International Conference "Towards Native Self-Reliance through Resource Development" Vancouver: Hemlock Printers, 1985.

This report contains the proceedings of a conference held in Vancouver in 1984. The purpose of the conference was to explore the opportunities for aboriginal people to regain their independence and self-reliance in modern society through resource

development. Delegates and speakers at the conference included representatives from native communities, governments and private industry.

The following themes were covered: community-based planning and economic development; business and corporate strategies; fisheries and aquatic resources; claims settlements; forest resources; agricultural and water resources; arts and crafts; tourism and recreation; and non-renewable resources. The workshop on non-renewable resources was comprised of three sections; ownership and management of minerals in Canada and the United States, taxation, and the corporate viewpoint of needs and resources.

A number of practical suggestions on how native people, industry and governments could work together to foster independence are provided. Among others, these include greater local government and native control over financial resources; the establishment of regional resource development boards; and, more industry initiatives to establish links with the native community.

Stevenson Kellogg Ernst & Whinney. *Strategies To Improve Northwest Territories Business Opportunities Related To Mining And Exploration.* Prepared for the Energy, Mines and Resources Secretariat and the Department of Economic Development and Tourism, Government of the Northwest Territories. October, 1987

Study was designed to: identify opportunities for northern business to supply a larger proportion of the exploration, development and production needs of the mining industry in the Northwest Territories; outline the constraints on the northern business community in supplying a larger proportion of the required goods and services; and, recommend methods/strategies to overcome these problems. An analysis of the requirements and the purchasing philosophies of nine mines and twelve exploration companies indicates considerable potential markets for northern suppliers. However, the onus is on northern suppliers to take the initiative to capture the opportunities.

Obstacles to better marketing include: lack of comprehensive and aggressive overall marketing thrust by NWT suppliers; lack of information on company expenditures and intentions for suppliers; no focal point for suppliers to obtain marketing information; and, complacency by some suppliers. It is recommended that the NWT Chamber of Mines, with an increased operating budget and staff, become the focal point to bring industry and suppliers together. Actions required include: compilation of a list of NWT-based suppliers/members; conducting an annual industry/supplier symposium; maintaining a register of industry contacts; developing a newsletter on exploration plans; and, assessing the feasibility of a co-ordinated, southern marketing effort. The Government of the Northwest Territories should: fund the potential shortfall in the NWT Chamber of Mines budget; send response letters and attachments to industry and supplier participants; assist in raising the marketing expertise of NWT businessmen; and develop a model of northern costs.

Appendices provide lists of suppliers,government officials,mining and exploration companies interviewed and proposed generic business opportunity guides in letter and pamphlet form. Attachment A provides findings and recommendations to individual sector suppliers. Attachment B provides points of contact for mining and exploration companies.

INVESTMENT

DPA Consulting Limited. *Native Equity Participation In Natural Resource Projects: A Review of Current Initiatives.* Prepared for the Northern Affairs Branch, Department of Indian and Northern Affairs. Vancouver: July,1982.

The study presents the results of an examination of recent initiatives in the emerging area of native equity participation in natural resource projects. The objective of the study was to obtain information regarding native equity participation in natural resource projects through the identification of specific investments, participation mechanisms and investment approaches taken and the extent to which each investment approach has worked.

Fifteen case studies are presented, focusing on a description of the venture or initiative, the motivations of the parties involved and the type of equity arrangement proposed. Three principle types of equity arrangements are identified: direct purchase of shares in the entire project; purchased ownership in a portion of the project's assets; and, "carried interest" in a resource development project. Each case study is analyzed in terms of the key factors of mechanisms and sources of funds, control mechanisms to administer equity participation agreements, manpower and training components and business linkages. The unavailability of capital is identified as the most fundamental challenge facing the successful achievement of native equity participation in resource development projects. A number of measures which government could take to facilitate the achievement of native equity participation arrangements are outlined. A bibliography is included.

REGULATION

Altman, J.C. *Aborigines and Mining Royalties in the Northern Territory.* Australian Institute of Aboriginal Studies. Melbourne: Rusken Press, 1983.

The book is divided conceptually into two distinct parts. The first section of the book concentrates on the origin and historical development of mining policy and legislation as it effects the Aboriginal people; the second section covers contemporary issues.

In the first section, attention is paid to the following issues: policy origins of mining on Aboriginal reserves and resulting legislative changes made by the Commonwealth in 1952 and 1953; royalty provisions of the pre-land rights mining agreements and the extent of mining royalty disbursal to Aborigines in the immediate vicinity of mining projects; Aborigines Benefit Trust fund as it addresses the structures set within Commonwealth Government policy to distribute mining royalties to Aborigines; and,land rights legislation in reference to royalty payments for mining on aboriginal land and royalty payments distributed under the Act.

The second section of the book covers contemporary issues. The issues concern: the financial provisions of the five mining agreements completed since the granting of Aboriginal land rights in the Northern Territory; the three types and levels of royalty disbursing institutions - the Aboriginals Benefit Trust account, the Land Councils and the Royalty Associations and Trusts; and, the conclusions and recommendations addressing the identified issues concerning the future orientation

of mining and the Aborigines.

Deprez, Paul. *The Pine Point Mine and the Development of the Area South of Great Slave Lake.* Winnipeg: Centre for Settlement Studies, University of Manitoba, 1973.

Based on a study undertaken by the Centre for Settlement Studies for the Department of Indian Affairs and Northern Development to assess the impact of federal financial participation in support of the Pine Point project on resulting native employment opportunities and on the economic spin-offs the project generated for the region.

Part I presents a review of the development and costs of the Pine Point infrastructure including the Great Slave Lake Railway,the Hay River-Pine Point and Pine Point-Fort Resolution roads, the Taltson River power project and the airstrip . The development of the townsite is reviewed in terms of the roles played by the federal and territorial governments and the company. Part II examines the native labour force and its problems in terms of housing policies and housing problems, government initiatives and the native Pine Point labour force and an assessment of the Pine Point labour force and its native component.

It was concluded that since the precise objectives of the federal investment in Pine Point were not made clear at the outset, subsequent planning was hampered. The development at Pine Point appeared to have focused heavily on natural resource development because of the supposed resultant impact on economic growth and economic development. Most decisions respecting the workers employed appeared to have been made on an ad hoc basis rather than as an important component of an overall plan. Employment of local residents was likely hampered by the apparent lack of co-ordination of the different facets of the development program such as housing,employment, training and road construction which were seen as separate and independent programs. There is insufficient data available for analysis to determine conclusively whether the total employment generated by the mine or the native employment opportunities created by it would justify the capital invested by all levels of government. In order to acquire a more conclusive overall cost-benefit judgment, a much more comprehensive analysis of the impact of transportation linkages in the region and a thorough study of changes in welfare expenditures in the area would need to be undertaken.

Graham, Katherine A. *Eastern Arctic Case Study Series: The Development of the Polaris Mine.* Kingston: A joint project of the Institute of Local Government and the Centre for Resource Studies, Queens University, 1982.

The history of the Polaris Mine, located in the high Arctic on Little Cornwallis Island, began in 1960 when lead/zinc deposits were discovered. It was in 1980, after a long period of community and company consultations, that a development agreement was ratified between the Governmen of Canada and Cominco Ltd. The significant length of time of the consultations reflects the variety of interests, structures, and environmental and socio-economic impact studies involved.

This study examines seven issues that emerged from the development of the Polaris mine. Of these, four are discussed in detail: issues related to the process for consultation and approval of the Polaris mine and for monitoring its operation and impact; issues concerning the impact of the mine on northern communities; issues

concerning the economic spin-offs from the mine in northern and southern Canada and the issue of the Polaris mine as part of the accumulated development of Canada's North.

The community councils that came forward in the process of the Polaris mine were concerned about employment opportunities, land claim settlements and the effects on the environment. However, the process of on-going consultations proved to be an educational experience for all as many of the disparities between Cominco, the communities and the federal government and its various agencies were resolved. The major questions which remain concern how the northerners will participate in future resource developments, and what will be the involvement of individual community entrepreneurs and community corporations which might emerge.

McAllister, Anne B. *Eastern Arctic Study Case Study Series: Mineral Exploration in the Baker Lake Area.* Kingston: A joint project of the Institute of Local Government and the Centre for Resource Studies, Queens University, 1982.

From the late 1960s, the Baker Lake area in the Keewatin district of the Northwest Territories experienced massive waves of exploration for uranium. Considerable controversy was generated with respect to the effects of exploration activities on traditional pursuits such as hunting, fishing and trapping. During the 1970s,the community of Baker Lake tried to halt exploration activities, obtaining a land freeze in 1977 and a temporary injunction in 1978. The injunction was lifted in 1979 and exploration activity continued.

This study examines a number of issues which arose from the interaction of mineral exploration companies,governments ad the community of Baker Lake over a period of ten years. These include: the nature and implications of exploration activities versus actual development; the history and effects of the land use regulatory regime which was introduced and implemented in the Keewatin during this period; the evolution and articulation of community concerns and the methods of exerting community influence; and the interrelationships with land claims and related issues.

A central theme of the study is the absence of a formal and productive consultation process amongst the three parties: industry ,government and the community. The study points out the failure of the regulatory regime to provide constructive mechanisms for consultation and conflict resolution amongst the divergent parties interested in, and affected by, exploration activities. The question of the role of senior levels of government, particularly the federal government, in mediating the interests of industry and communities is raised. Includes a short bibliography.

The Institute for Research on Public Policy. *Towns, Wheels or Wings? For Resource Development.* Selected conference papers from the conference held February 3-4,1986 in Vancouver, British Columbia. (December,1986)

Includes papers by various authors on the issue of the factors involved in the threefold choice between building new towns, short distance (wheels) commuting by workers, or long distance (wings) commuting, as the means for the development of natural resources, especially in western Canada and the north. Specific examples are given in both mining and oil and gas operations in Canada , Australia and the

United States to illustrate the factors taken into consideration and the approaches used in specific cases.

Two main issues are involved in the "towns" option: the creation of a new town and the threat of abandonment in the face of declining markets or resource depletion. Various modes of transportation have been tried in the commuting options. Unlike the early days of the mining industry in Canada, the choice of options is no longer primarily a company decision. Factors which need to be taken into consideration include location, climate, transportation and communication systems, desires of the local people, the extent of established facilities, costs and government policy. Fly-in/fly-out operations are increasingly favoured but further study is required to determine their long-term implications.

OTHER BIBLIOGRAPHIES

Brown, M.P.Sharon, comp. *Eastern Arctic Study Annotated Bibliography.* Kingston: Centre for Resource Studies, 1984.

A list of documents accumulated during the research on the Eastern Arctic Study project. The study examined the potential impact of the settlement of land claims of Inuit Tapirisat of Canada, and of constitutional changes in the Northwest Territories, on both local government and regulation of the mineral industry in the NWT, with special emphasis on the interface between local governments and mining companies

Finley, J.C. and C.R. Goodwin,eds. *The Training and Employment of Northern Canadians: An Annotated Bibliography.* Calgary: The Arctic Institute of North America, 1986.

A project of the Environmental Studies Revolving Funds which are administered by the federal departments of Energy, Mines and Resources and Indian Affairs and Northern Development. Provides a representative collection of materials about the training and employment of northern Canadians.

SINGLE-INDUSTRY COMMUNITIES

Canada Employment and Immigration Advisory Council. *Canada's Single-Industry Communities: A Proud Determination to Survive.* A Report presented to the Minister of Employment and Immigration. Ottawa: Department of Supply and Services, February 1987.

The Report is divided into two major sections. Part one examines the current circumstances of single-industry communities and outlines the responsibilities, to the community, of each of the parties involved in the economic arrangement - the company, workers, union, governments and the community itself.

Part two of the report is an information section which responds to the request for this material from the communities consulted. This section describes the characteristics of 20 single-industry communities across Canada. Each sketch explains what these

individual communities are doing to address their own problems and the successes they have experienced to date.

Several programs and initiatives introduced by the government have been included. The programs and initiatives listed have some useful application to the problems of single-industry communities as they reflect the changing economic and social conditions, not only in single-industry communities, but in all communities across Canada. The report concludes with a list of recommendations that emphasize the need for the establishment of clear policies for frontier development, regional development, transportation and the creation of new single-industry communities.

Himelfarb, Alex. *The Social Characteristics of One-Industry Towns in Canada.* Royal Commission on Corporate Concentration, Study No. 30. Ottawa: Department of Supply and Services, 1976.

The study attempts to summarize and synthesize what is known about the social characteristics of single-industry communities in Canada. The study recognizes that social characteristics of the community vary with region, size, relative isolation, history, stage of development and extent to which they have been planned.

The focus of this report is the identification of the causes and consequences of the high population turnover rate in one-industry towns. The research on this topic can be broken down into five categories: social characteristics of the migrants; community perceptions regarding "quality of life"; objective assessments of "quality of life"; assessment of working conditions; and, community participation.

Specifically, the study examines social and economic development patterns including the process of change of a one-industry community in the context of the larger society. Within this framework, community structure, social stratification and community institutions are identified. In addition, there is an analysis of the way in which these components interact on a day-to-day basis. Lastly, there is a summary of the major findings and a discussion of their social implications.

Lucas, Rex A. *Minetown, Milltown, Railtown.* Toronto: University of Toronto Press, 1971.

This book examines two issues. The first concern is the urban character of Canada. This topic covers the definition of the term "urban" and consequential area-classifications derived from this definition. Communities with populations of 30,000 and more and 30,000 and less are examined for comparison purposes. The type of small community (i.e. minetown, milltown, railtown) is identified as a factor contributing to the structural/social/economic framework of the community.

The focus of the book, however, is the second issue: the nature and characteristics of the single-industry community. A single-industry community has been defined as one that has a population of less than 30,000 in which at least 75% of the working population serves the single industry and its supporting institutional services. These communities are mainly built around resource-based industries such as transportation, mining, smelting, textiles, pulp and paper, sawmills and railways.

In general, this book covers: the four stages of development of a single-industry community; nature of the industry; occupation, stratification, and association; interpersonal relationships; recreation; goods and services; healing arts; school;

churches; social conflict and social control; marriage; and, migration of youth and some of the resulting social implications.

Regional Economic Expansion. *Single-Sector Communities.* Occasional Papers. Ottawa: Department of Supply and Services,1979.

This study describes the various dimensions of the phenomenon of single-industry communities and outlines ways of structuring discussion of these issues.

The first section of the study briefly summarizes the general characteristics of the single-sector community. The second section of the study concerns the selection criteria and the creation of a data base from the 1971 Census. The framework and factors for analysis are discussed. From this data, a list of tables and figures was compiled relating to the number of single-industry communities in the Provinces and in the regions. Within the designated areas three factors are examined: population size, industrial base and economic activity.

Appendix B

The Mining-Native
Demographic
Relationship

APPENDIX B

The Mining-Native Demographic Relationship

INTRODUCTION

The mining-native relationship has not been examined or discussed in any detail until this time and very little information is available. Therefore, in order to begin a discussion on this subject, primary native demographic data from Statistics Canada and mining sector information from the Mining Association of Canada was gathered and is presented here. The text, figures, tables and maps present a demographic profile of natives, a comparison of average weekly earnings in the mining sector with other industrial sectors and location maps of mineral areas and native communities. The purpose is to draw comparisons between the two, mining and natives, in order to demonstrate, if possible, the potential for native participation in the mining industry. Since this is only a preliminary analysis and available data have limitations, further statistical work and data gathering are required to draw firmer conclusions than those presented.

Native demographics examined and profiled are: population, gender, age, educational achievement, labour force distribution and income levels. Each characteristic is compared to the general population nationally and provincially. Both tables and illustrations are provided for comparison purposes and as added detail for interested parties. The sources for this information are Statistics Canada 1986 census and the 1986 census data as modified by the Social Trends Directorate of the Secretary of State. To ensure the most up-to-date and complete socio-demographic and mining information was considered for the initial broad overview, multiple literature and data sources were searched and consulted. An annotated list of these sources entitled, Annotated List of Selected Sources for Demographic Data About Natives in Canada, was compiled and can be made available. In addition, a Mining and Native Peoples Map Compendium and an Annotated List of Selected Map Sources Showing Spatial Relationship between Native Communities and the Mining Sector were produced, and can also be made available.

POPULATION

In 1986, there were more than 711,000 native people in Canada comprising 3% of the population (Table 1). Provincial distribution shows that 41% of this total reside in Ontario and British Columbia, with Alberta, Saskatchewan, Manitoba and Quebec also having a significant native resident population (Figure 1). The Maritime Provinces were a less significant location for native inhabitants. Although the Territories have a small native population, compared to the provinces, natives were nevertheless the dominant ethnic group in the Northwest Territories comprising 59% and the largest minority group in the Yukon comprising 21% of the local populations (Table 1). The male to female ratio paralleled the general Canadian population - a relatively equal division (Table 2).

The native population was relatively young in 1986 with approximately 36% being 14 years of age or younger, 11% between 15 to 19 years of age and 40% between ages 20 and 44 (Figure 2). This compared to 21%, 8% and 42% for the non-native population. On the mature side of the age spectrum, 20% of non-natives were between 45 and 64 years of age and 9% were older than 64. Only 10% of natives were between the ages of 45 and 64 and 3% were older than 64 (Tables 3,4). Such a young population not only creates demands for housing and education but also presents a potential labour pool for the mining

industry. With a larger portion of the non-native population in older age groups, natives will also represent an increasing proportion of our active labour force.

EDUCATION

The native education situation continued to lag behind the Canadian scene. Interprovincial comparison of the educational achievement of natives/non-natives between ages 15 to 65 (Tables 5,6, Figure 3) showed that twenty-eight percent or 1 out of every 3 to 4 natives had less than a grade 9 education compared with 18% for non-natives. This factor is of importance to employment in the mining sector, and many other sectors since numerous jobs have an entry requirement at a minimum grade 9 level. It is noted that an additional 45% of natives lacked a completed high school education and therefore without extensive on-the-job training or further skill upgrading may be ineligible for better paying positions and skilled employment in the mining industry. On the plus side is the fact that 27% of natives possessed a high school diploma and, in some cases, additional education. As a current and potential labour pool, these two groups of individuals present a possible market to the mining industry either directly for available jobs (equipment operators, miners, truck drivers) or as a training group for specific skill-required professional occupations (geotechnical, geoscientific and management positions).

Variations on native educational achievements occurred and were most dramatic in the Northwest Territories (Table 5). Here, 62% of natives aged 15 to 65 had less than a grade 9 education. Saskatchewan, Manitoba and Newfoundland also had a high native under-educated labour force, being 41%, 36% and 40%. Consequently, to qualify for mining-related employment, training over and above regular skills upgrading courses would be required.

It is interesting to note that the perception of a high school education being the threshold entry to a "mining job" is not valid when measured against defined requirements by Employment and Immigration Canada and the industry. Their minimum criteria is completion of a grade 9 education or possession of a trade certificate or similar training. Therefore encouraging education to this minimum criteria level is important in order for the native group (28%) to be viewed as a potential labour pool for participation in the mining industry.

LABOUR FORCE

Nationally, the 451,950 native labour force represented only 2% of the Canadian labour force (Table 7) while natives represented 3% of the population. The highest concentration of the native labour force was in Ontario (24%) while the lowest was in Prince Edward Island (0.2%) (Figure 4). Native employment was 46% compared to 60% for non-natives (Tables 8 and 9). The unemployment rate however was double that of non-natives being 14% against 7%. Approximately 40% of natives and 33% of non-natives were classified as non-participants in the labour force - those not receiving a salary or unemployment benefits. When considering this higher level of native non-participation it is important to remember that some natives pursue traditional occupations such as hunting and fishing which provide additional economic benefits. Unfortunately the employment provided and its value is not statistically recorded. For the mining sector, the disproportionately high level of native unemployment, may offer a potential labour pool. In regions where mining activities and native communities co-exist, both parties could benefit.

Accurate data on the level of native participation solely in the mining industry is difficult to obtain. The only measure of native participation in the mineral industry is available from the 1981 Census (Table 12). Based on this, 1.7% of the mining, quarrying and oil and gas industry labour force in Canada were native. The highest rates of native participation occurred in the Northwest Territories (20%)*, Yukon (6.1%), Manitoba (4.5%) and Saskatchewan (3.6%). For the remaining provinces the rates were low. More recent occupational data collected in the 1986 Census does not reflect native participation rates in mining given that geologists and geological technologists/technicians employed in the sector were not identified. To obtain more reliable statistics on native participation in mining specifically, a thorough survey of mining and exploration/prospecting companies would be required.

INCOME

A provincial comparison between native and non-native average individual gross income before taxes for those 15 years of age and over with income in 1985 revealed non-native individuals earning 23-119% more than natives. A similar comparison of average economic family income for two or more related individuals over the age of 15 revealed non-native families earning 10-84% more than natives (Table 10). In the Maritimes these gaps were not as pronounced as in Western Canada (Figures 5 and 6). However, for the Territories the gap generally exceeded the Canadian average (30%), particularly in the Northwest Territories where individual natives received less than 1/2 the non-native income**.

The lowest income disparity, based on percentages, occurred in Quebec for native individuals and in Newfoundland for native economic families. The average individual income for natives ranged between $10,346 to $14,730 per annum nationally versus the non-native population which began at $13,767 and ended at $27,122. Average native family income ranged from $22,749 to $35,162 whereas non-native family earnings began at $30,368 and ended at $56,408.

Another point of reference is to examine the average weekly earnings of eight industrial activities (Table 11 and Figure 7). The purpose here is to compare, among sectors, the relative affluence an individual could expect when securing employment. The illustrations clearly show that mining can be expected to provide the highest average weekly earnings. During the 1981-88 time period only wage increases in the finance sector exceeded wage increases in the mining sector. In the former the increase was 47.5% versus 43.2% in the latter. Other sector increases for the seven-year span ranged from a low of 5% in construction to 40.8% in manufacturing, the third highest. The average annual wage increase in mining was 6.1%, which compares favourably to finance which was 6.8%. It is interesting to note that the annual cost of living index ranged between 5-6% for this period. Measuring these percentages and rates against the other six sectors speaks to an obvious advantage of being employed in the mining sector. Considering a spread of 56% between the highest average annual individual native income and the average annual income in mining ($34,316), an incentive appears for natives to consider the mining sector as a promising alternative to many occupational endeavors.

* The current Northwest Territories native participation rate in mining is 12%

** The Northwest Territories has the largest proportion of its native population living off the land and hence earning little or no wage income.

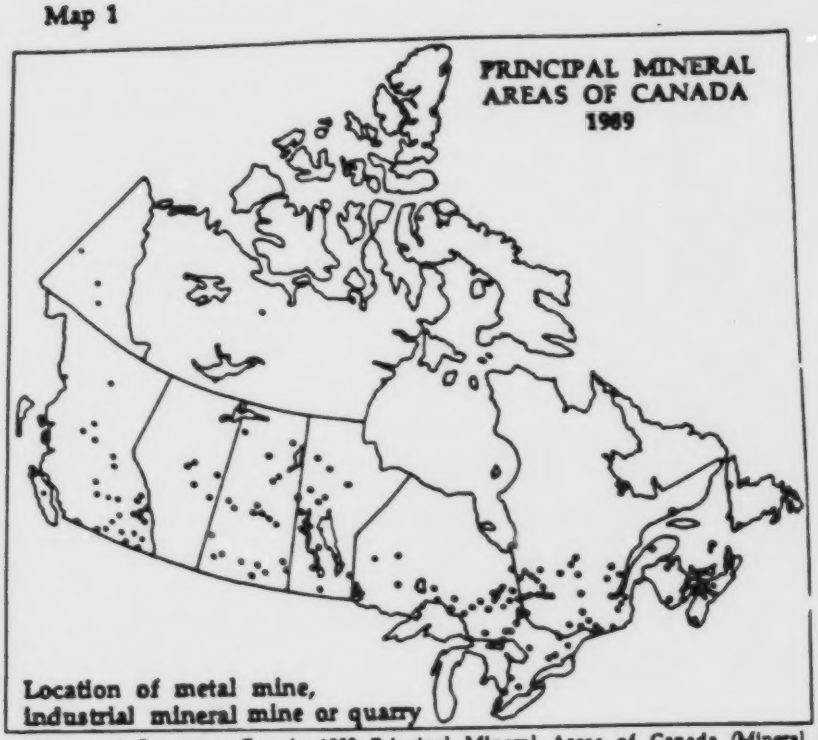
GEOGRAPHIC LOCATION

An examination of the various location maps of Canada's mining industry show it to be a remote area activity (Map 1). Whether it is as a mine site, mineral deposit, mining dependent community, mineral area, or focus for exploration and prospecting, a consistent pattern emerges in which the Canadian mining industry is located in rural and remote areas and not in Canada's heartland except in the structural mineral and mineral processing fields. Coincidently, native communities are also located in the rural and remote areas (Map 2). Both mining activity and native communities are sufficiently close and nearby each other that opportunities may exist to increase the level of native employment in the mining community. In addition, these communities may be able to service the mining industry and/or take a more active role on the equity participation front. For the mining sector, the disproportionately high native unemployment and non-participation rate in the labour force, if found to predominate in rural and remote communities, suggests that this may serve as a labour pool.

CONCLUSION

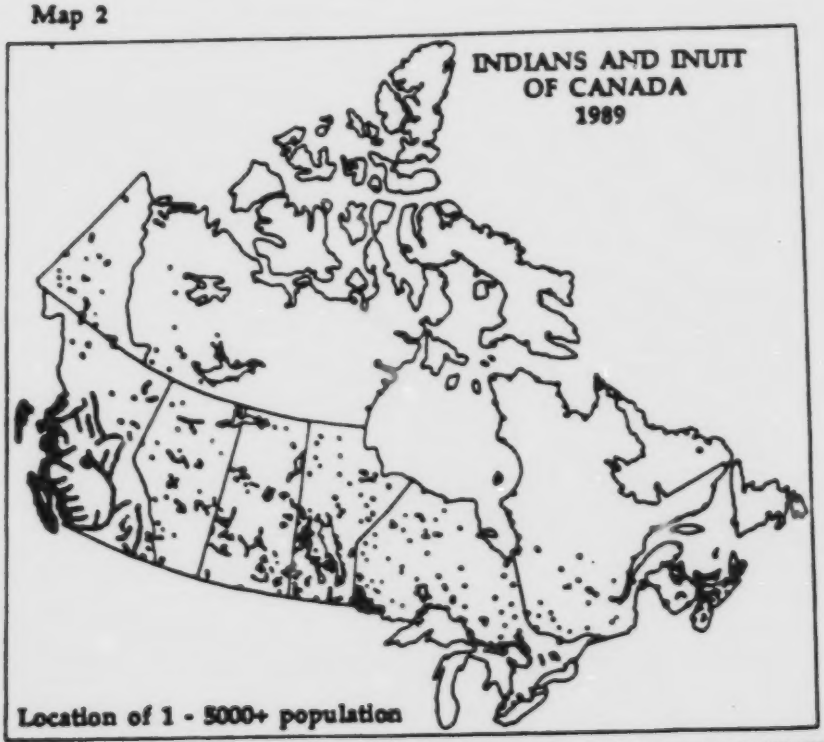
Based on: (a) the above native socio-demographic data, (b) the close geographic location of mining activities and native communities, and (c) a developing relationship between natives and mining (see the Case Study section), it is concluded that the relationship or partnership between natives and mining can be further developed and expanded. For example, the possibility arises whereby mineral developments in remote locations requiring workers or needing to hire local business services could turn to the adjacent native community to fulfil its needs and thereby realize lower operating costs. Skill upgrading and training courses could be initiated and operations adjusted to meet both the native and mining requirements and the native lifestyle pattern. In order to explore the relationship between mining and natives, further analysis is required that identifies the current level and nature of native involvement in mining, the potential opportunities for natives in mining and the labour pool within native communities which could be utilized by nearby mines and associated activities.

Map 1



SOURCE: Energy, Mines and Resources Canada 1989 Principal Mineral Areas of Canada (Mineral Policy Sector and Geological Survey of Canada, Map 900A, 39th edition, scale 1:7 603 000, Ottawa)

Map 2



SOURCE: Indian and Northern Affairs Canada 1989 Indians and Inuit of Canada (Map, scale 1:7 500 000, Ottawa)

Figure 1

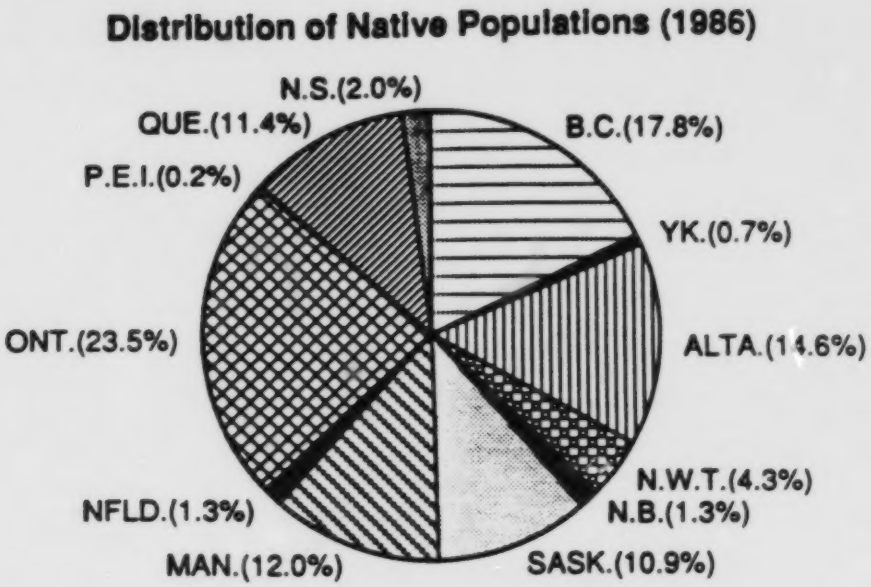


Figure 2

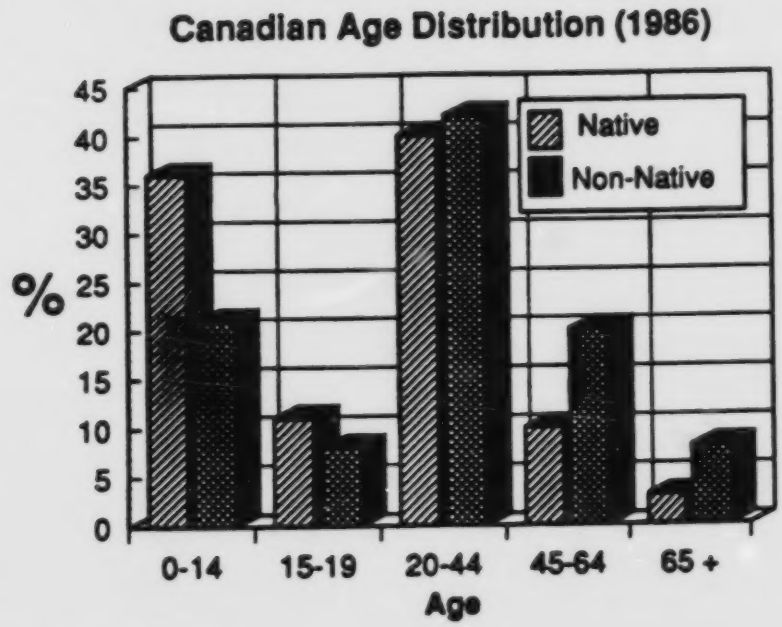


Figure 3

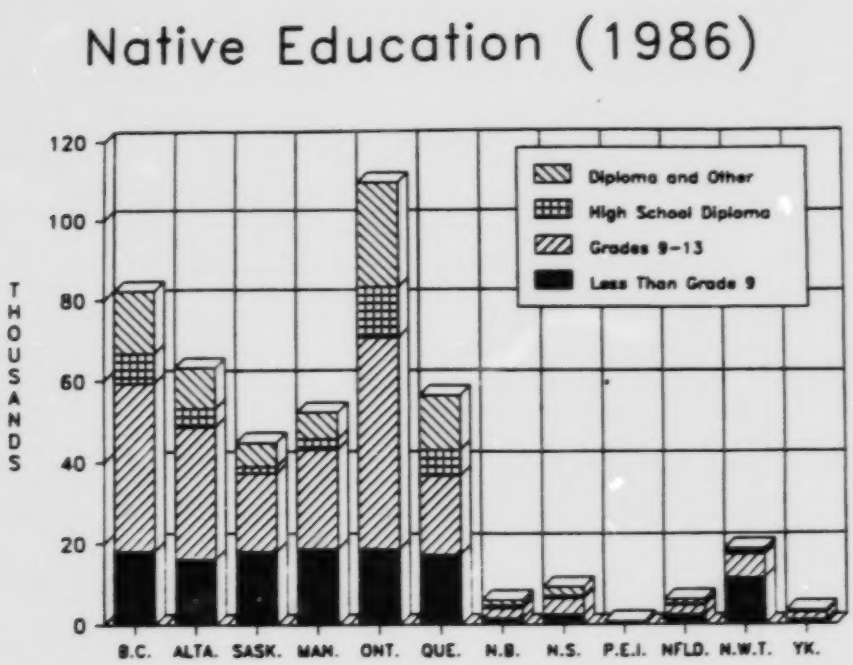


Figure 4

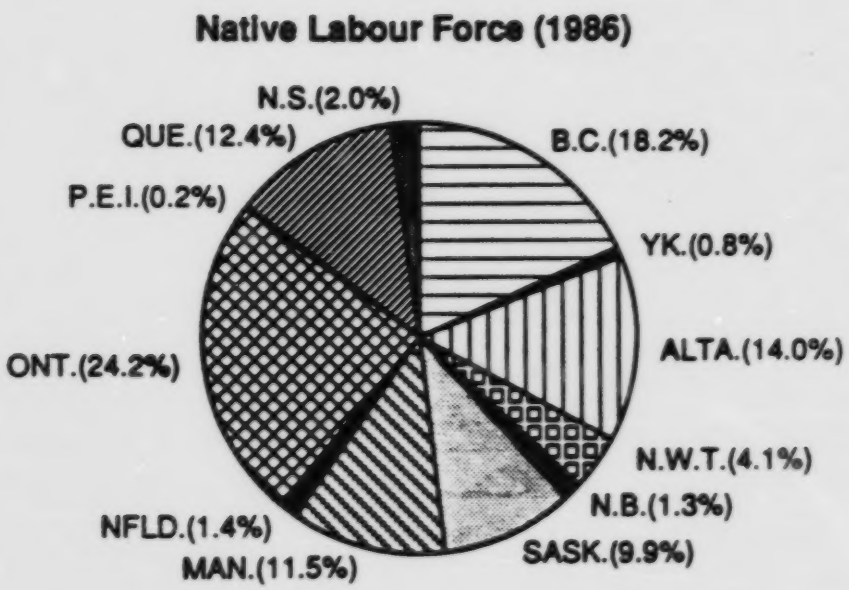


Figure 5

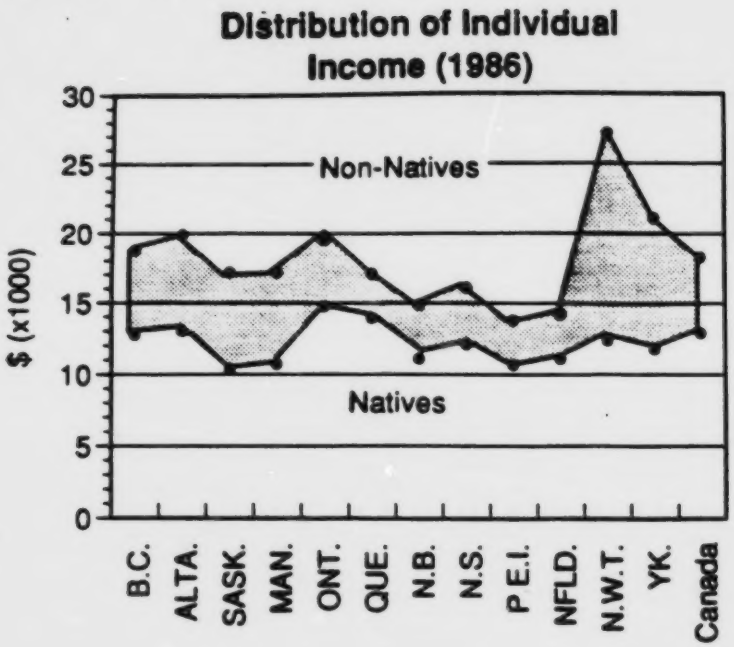


Figure 6

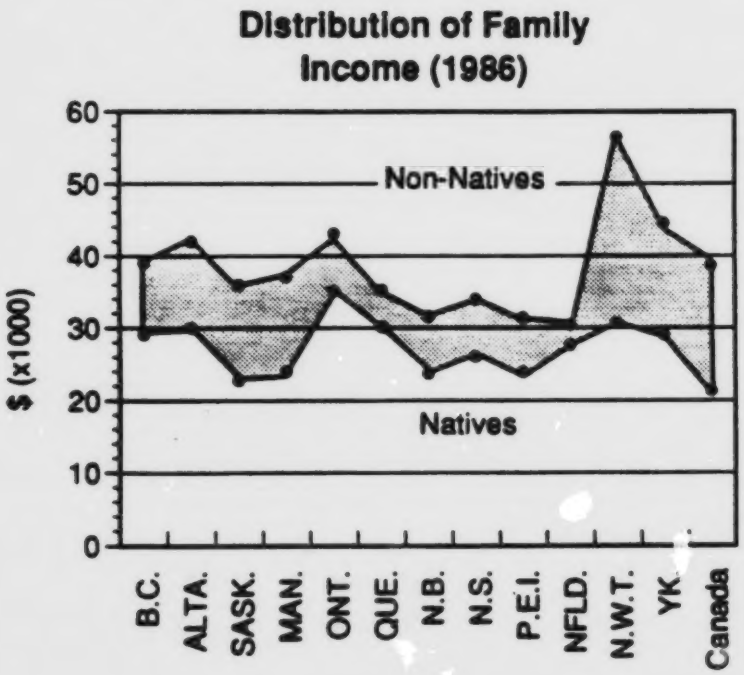
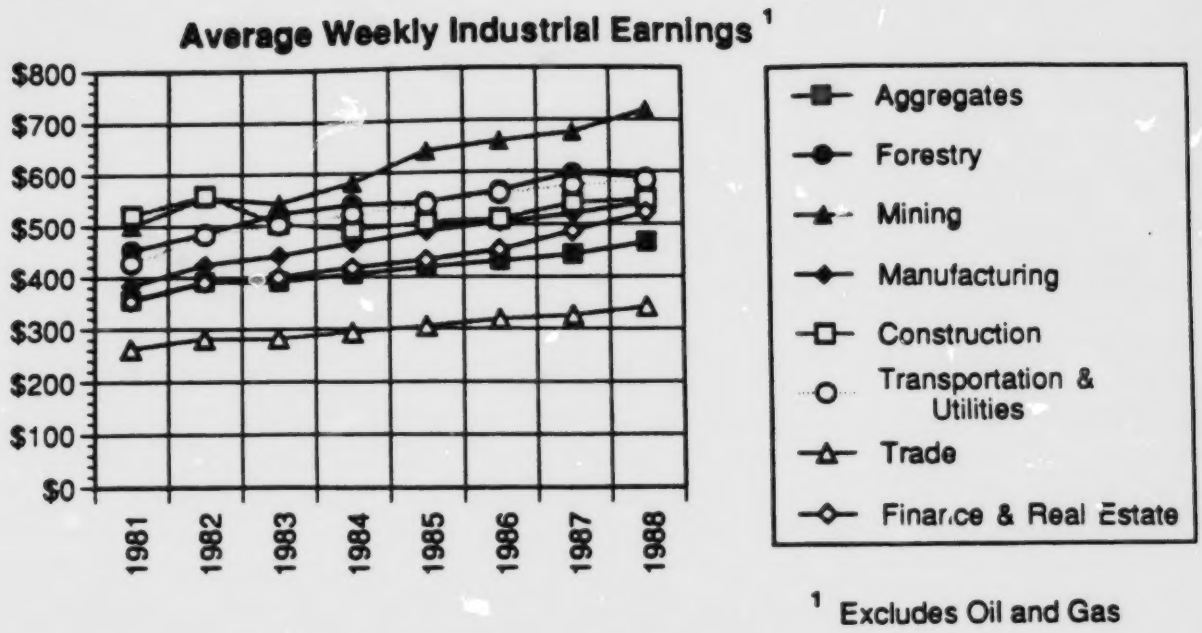


Figure 7



[1] Excludes Oil and Gas

TABLE 1: NATIONAL AND PROVINCIAL NATIVE AND NON-NATIVE POPULATION

	NATIVE	NON-NATIVE	TOTAL	NATIVE % OF TOTALS
CANADA	711,720	24,310,285	25,022,010	3
B.C.	126,625	2,722,960	2,849,585	4
ALTA.	103,930	2,236,335	2,340,265	4
SASK.	77,650	919,050	996,700	8
MAN.	85,235	964,085	1,049,320	8
ONT.	167,370	8,833,795	9,001,165	2
QUE.	80,945	6,373,545	6,454,490	1
N.B.	9,375	692,475	701,850	1
N.S.	14,220	849,925	864,145	2
P.E.I.	1,290	123,800	125,090	1
NFLD.	9,560	554,450	564,010	2
N.W.T.	30,525	21,495	52,025	59
YK.	4,995	18,365	23,360	21

I.E. - 1% of the Quebec population is native.

TABLE 2: NATIONAL AND PROVINCIAL NATIVE AND NON-NATIVE GENDER DISTRIBUTION

	NATIVE		NON-NATIVE		TOTAL		NATIVE % OF TOTALS	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	M %	F %
CANADA	349,260	362,455	12,368,455	12,653,550	12,717,715	13,016,005	3	3
B.C.	62,980	63,645	1,351,245	1,371,715	1,414,230	1,435,360	4	4
ALTA.	50,930	53,005	1,129,475	1,106,860	1,180,405	1,159,860	4	5
SASK.	38,010	39,635	460,895	458,155	498,805	497,790	8	8
MAN.	41,860	43,370	476,260	487,825	518,125	531,190	8	8
ONT.	80,980	86,395	4,347,860	4,485,935	4,428,840	4,572,335	2	2
QUE.	39,150	41,795	3,130,310	3,243,230	3,169,460	3,285,025	1	1
N.B.	4,705	4,670	342,765	349,715	347,470	354,385	1	1
N.S.	7,005	7,220	419,795	430,130	426,825	437,350	2	2
P.E.I.	645	640	61,625	62,175	62,275	62,820	1	1
NFLD.	4,920	4,635	277,510	276,935	282,435	281,570	2	2
N.W.T.	15,640	14,885	11,640	9,855	27,275	24,745	57	60
YK.	2,430	2,565	9,805	8,560	12,235	11,125	20	23

I.E. - 1% of the female population in Quebec is native.

TABLE 3: NATIONAL AND PROVINCIAL AGE DISTRIBUTION OF NATIVES

	TOTAL NATIVE POPULATION	AGE 0-14	%	AGE 15-19	%	AGE 20-44	%	AGE 45-64	%
CANADA	711,720	259,770	36	76,410	11	284,745	40	70,205	10
B.C.	126,625	44,445	35	13,715	11	51,640	41	13,145	10
ALTA.	103,930	40,875	39	11,460	11	40,645	39	8,480	8
SASK.	77,650	33,005	43	9,285	12	26,020	34	6,810	9
MAN.	85,230	33,185	39	9,900	12	31,260	37	8,225	10
ONT.	167,375	57,835	35	16,580	10	71,820	43	16,925	10
QUE.	80,940	24,780	31	7,195	9	36,755	45	9,385	12
N.B.	9,380	3,385	36	1,155	12	3,735	40	890	9
N.S.	14,220	4,965	35	1,545	11	6,040	42	1,300	9
P.E.I.	1,290	445	34	125	10	550	43	125	10
NFLD.	9,555	3,400	36	1,095	11	3,665	38	1,130	12
N.W.T.	30,525	11,850	39	3,810	12	10,530	34	3,225	11
YK.	4,995	1,595	32	545	11	2,075	42	555	11

I.E. - 35% of natives in Ontario are 14 years of age or younger.

Table 3 does not record individuals over the age of 65.

TABLE 4: NATIONAL AND PROVINCIAL AGE DISTRIBUTION OF NON-NATIVES

	TOTAL NON-NATIVE POPULATION	AGE 0-14	%	AGE 15-19	%	AGE 20-44	%	AGE 45-64	%
CANADA	24,310,285	5,128,130	21	1,840,840	8	10,091,855	42	4,774,895	20
B.C.	2,722,960	545,825	20	194,065	7	1,108,565	41	553,180	20
ALTA.	2,236,335	520,015	23	169,785	8	995,510	45	380,485	17
SASK.	919,050	212,605	23	69,075	8	349,435	38	171,335	19
MAN.	964,085	202,200	21	72,220	7	381,495	40	186,675	19
ONT.	8,833,795	1,810,520	20	670,075	8	3,627,350	41	1,810,125	20
QUE.	6,373,545	1,314,715	21	465,985	7	2,716,780	43	1,280,205	20
N.B.	692,475	158,140	23	59,105	9	279,520	40	122,440	18
N.S.	849,925	182,300	21	70,245	8	344,320	41	155,690	18
P.E.I.	123,800	28,900	23	10,625	9	47,720	39	21,715	18
NFLD.	554,450	143,400	26	57,090	10	219,850	40	87,485	16
N.W.T.	21,495	5,240	24	1,285	6	12,070	56	2,590	12
YK.	18,365	4,270	23	1,290	7	9,245	50	2,955	16

I.E. - 20% of non-natives in Ontario are 14 years of age or younger.

Table 4 does not include individuals over the age of 65.

TABLE 5: NATIONAL AND PROVINCIAL EDUCATIONAL ACHIEVEMENT OF NATIVES BETWEEN AGES 15 AND 65

	TOTAL NATIVES AGE 15-65	LESS THAN GRADE 9	%	FROM GRADES 9 TO 13	%	WITH A HIGH SCHOOL DIPLOMA	%	WITH A HIGH SCHOOL DIPLOMA AND OTHER*	%
CANADA	451,950	126,885	28	204,330	45	36,730	8	83,965	19
B.C.	82,175	18,175	22	41,190	50	7,325	9	15,490	19
ALTA.	63,055	16,220	26	32,340	51	4,440	7	10,065	16
SASK.	44,645	18,125	41	19,075	43	1,595	4	5,855	13
MAN.	52,050	18,770	36	24,195	46	2,480	5	6,600	13
ONT.	109,540	18,705	17	51,890	47	12,415	11	26,530	24
QUE.	56,165	17,375	31	19,250	34	6,140	11	13,405	24
N.B.	5,995	1,645	27	2,395	40	640	11	1,320	22
N.S.	9,260	2,500	27	3,990	43	565	6	2,205	24
P.E.I.	840	240	29	380	45	50	6	165	20
NFLD.	6,160	2,465	40	2,240	36	420	7	1,035	17
N.W.T.	18,675	11,580	62	5,690	30	485	3	915	5
YK.	3,395	1,090	32	1,700	50	215	6	385	11

I.E. - 50% of natives between ages 15 and 65 in British Columbia possess a grade 9 to 13 education.

Other (*) means that additional education may include a trades certificate, present enrollment in a post-secondary institution, prior post-secondary education, or a university degree. Individuals under the age of fifteen are not recorded and percentages may not add up to 100 due to rounding.

TABLE 6: NATIONAL AND PROVINCIAL EDUCATIONAL ACHIEVEMENT OF NON-NATIVES BETWEEN AGES 15 AND 65

	TOTAL NON-NATIVES AGE 15-65	LESS THAN GRADE 9	%	FROM GRADES 9 TO 13	%	WITH A HIGH SCHOOL DIPLOMA	%	WITH A HIGH SCHOOL DIPLOMA AND OTHER*	%
CANADA	19,182,150	3,536,735	18	7,220,570	38	2,474,460	13	5,950,395	31
B.C.	2,177,135	271,135	12	905,915	42	256,990	12	743,095	34
ALTA.	1,716,320	198,510	12	755,925	44	187,235	11	574,650	33
SASK.	706,440	136,700	19	313,260	44	63,130	9	193,350	27
MAN.	761,885	139,340	18	335,640	44	71,345	9	215,570	28
ONT.	7,023,275	1,119,215	16	2,687,920	38	934,015	13	2,282,125	32
QUE.	5,058,830	1,277,105	25	1,494,350	30	797,550	16	1,490,090	29
N.B.	534,340	136,745	26	199,485	37	64,400	12	133,700	25
N.S.	667,630	123,460	18	307,395	46	53,715	8	183,055	27
P.E.I.	94,905	19,920	21	40,795	43	7,460	8	26,725	28
NFLD.	411,050	112,725	27	167,720	41	35,275	9	95,320	23
N.W.T.	16,255	1,035	6	6,420	39	1,685	10	7,105	44
YK.	14,090	1,110	8	5,715	41	1,650	12	5,615	40

I.E. - 12% of non-natives between ages 15 and 65 in British Columbia possess less than grade 9 education.

Other (*) means that additional education may include a trades certificate, present enrollment in a post-secondary institution, prior post-secondary enrollment, or a university degree. Individuals under the age of fifteen are not recorded and percentages may not add up to 100 due to rounding.

TABLE 7: NATIONAL AND PROVINCIAL LABOUR FORCE BETWEEN AGES 15 AND 65

	TOTAL NATIVE LABOUR FORCE	TOTAL NON-NATIVE LABOUR FORCE	TOTAL LABOUR FORCE	NATIVE % OF TOTAL
CANADA	451,950	19,182,150	19,634,100	2
B.C.	82,180	2,177,135	2,259,310	4
ALTA.	63,055	1,716,320	1,779,375	4
SASK.	44,645	706,440	751,090	4
MAN.	52,050	761,885	813,935	6
ONT.	109,540	7,023,275	7,132,810	2
QUE.	56,165	5,058,830	5,114,990	1
N.B.	5,995	534,340	540,330	1
N.S.	9,260	667,630	676,890	1
P.E.I.	840	94,905	95,745	1
NFLD.	6,160	411,050	417,205	1
N.W.T.	18,675	16,255	34,930	53
YK.	3,395	14,090	17,490	19

I.E. - 6% of the Manitoba labour force between ages 15 and 65 are natives.

TABLE 8: NATIONAL AND PROVINCIAL DISTRIBUTION OF NON-NATIVE LABOUR FORCE BETWEEN AGES 15 AND 65

	TOTAL PARTICIPATING NATIVE LABOUR FORCE	EMPLOYED	%	UNEMPLOYED	%	NON-PARTICIPATING	%
CANADA	451,950	210,605	46	61,940	14	179,405	40
B.C.	82,180	35,585	43	14,925	18	31,670	39
ALTA.	63,055	29,550	47	8,755	14	24,750	39
SASK.	44,645	15,690	35	6,520	15	22,440	50
MAN.	52,050	20,360	39	7,250	14	24,440	47
ONT.	109,540	64,350	59	10,605	10	34,585	31
QUE.	56,165	26,790	48	6,825	12	22,550	40
N.B.	5,995	2,255	38	1,115	19	2,620	43
N.S.	9,260	4,370	47	1,075	12	3,810	41
P.E.I.	840	385	46	225	27	235	27
NFLD.	6,160	2,245	36	1,245	20	2,670	44
N.W.T.	18,675	7,500	40	2,700	14	8,475	45
YK.	3,395	1,520	45	705	21	1,170	34

I.E. - 39% of Manitoba's natives in the labour force between ages 15 and 65 are employed.

Participation rate is defined as the total labour force expressed as a percentage of the total population between the ages 15 and 65. Non-participating is defined as being employable in the labour force, but not receiving an income either through employment or unemployment insurance benefits. Most persons in this category are students, homemakers, retired or seasonal workers.

TABLE 9: NATIONAL AND PROVINCIAL DISTRIBUTION OF NON-NATIVE LABOUR FORCE BETWEEN AGES 15 AND 65

	TOTAL PARTICIPATING NON-NATIVE LABOUR FORCE	EMPLOYED	%	UNEMPLOYED	%	NON-PARTICIPATING	%
CANADA	19,182,150	11,491,615	60	1,285,700	7	6,404,835	33
B.C.	2,177,135	1,253,850	58	179,830	8	743,460	34
ALTA.	1,716,320	1,136,925	66	117,130	7	462,260	27
SASK.	706,440	445,825	63	33,715	5	226,900	32
MAN.	761,885	480,385	63	34,230	4	247,270	32
ONT.	7,023,275	4,520,795	64	326,490	5	2,175,985	31
QUE.	5,058,830	2,769,170	55	411,105	8	1,878,555	37
N.B.	534,340	270,375	51	54,530	10	209,620	39
N.S.	667,630	355,785	53	55,295	8	256,550	38
P.E.I.	94,905	53,010	56	9,645	10	32,245	34
NFLD.	411,050	181,550	44	62,055	15	167,440	41
N.W.T.	16,255	13,445	83	720	4	2,090	13
YK.	14,090	10,490	74	1,145	8	2,455	17

I.E. - 4% of Manitoba's non-natives in the labour force between ages 15 and 65 are unemployed.

Participation rate is defined as the total labour force expressed as a percentage of the total population between ages 15 and 65. Non-participating is defined as being employable in the labour force, but not receiving an income either through employment or unemployment insurance benefits. Most persons in this category are students, homemakers, retired or seasonal workers.

TABLE 10: AVERAGE ANNUAL INDIVIDUAL AND FAMILY INCOMES FOR NATIVES AND NON-NATIVES

	NATIVE INDIVIDUAL INCOME	NON-NATIVE INDIVIDUAL INCOME	NATIVE FAMILY INCOME	NON-NATIVE FAMILY INCOME
CANADA	$12,899	$18,303	$21,293	$38,651
B.C.	$12,774	$18,772	$29,028	$39,048
ALTA.	$13,027	$19,886	$29,917	$41,979
SASK.	$10,346	$17,184	$22,749	$35,963
MAN.	$10,672	$17,163	$23,978	$37,055
ONT.	$14,730	$19,531	$35,162	$43,020
QUE.	$13,931	$17,090	$30,084	$35,225
N.B.	$11,081	$14,909	$23,713	$31,512
N.S.	$12,096	$16,079	$26,036	$33,949
P.E.I.	$10,662	$13,767	$23,948	$31,345
NFLD.	$11,098	$14,201	$27,586	$30,368
N.W.T.	$12,377	$27,122	$30,604	$56,408
YK.	$11,762	$21,079	$28,945	$44,452

I.E. - $12899 is the average annual individual income for a native in Canada.
I.E. - $38651 is the average annual income for a non-native family in Canada.

TABLE 11: AVERAGE WEEKLY EARNINGS BY INDUSTRIAL DIVISION 1981-

	INDUSTRIAL AGGREGATE	FORESTRY	MINING(1)	MANUFACT-TURING	CONSTRUCTION
1981	355.28	452.87	501.38	383.75	521.31
1982	390.63	486.41	555.21	424.31	558.87
1983	390.51	522.25	542.65	441.51	503.44
1984	405.22	540.26	581.79	465.66	491.24
1985	419.27	543.64	641.01	488.17	505.07
1986	430.94	564.61	659.93	504.04	510.41
1987	442.74	597.24	676.31	519.54	539.37
1988	464.99	588.51	717.89	540.48	547.14

	TRANSPO & UTILITIES	TRADE	FINANCE & REAL ESTATE
1981	427.47	262.56	353.71
1982	481.64	281.74	389.97
1983	500.99	282.47	400.55
1984	521.38	293.64	417.83
1985	539.74	304.28	432.54
1986	558.79	317.49	452.59
1987	573.03	325.24	486.56
1988	582.68	341.65	521.89

Mining wages (1) include employment in the coal sector, but not in the crude petroleum or natural gas industries.

TABLE 12: NATIVE AND NON-NATIVE PARTICIPATION IN THE MINING, QUARRYING AND OIL AND GAS SECTORS
1981

	NATIVE	NON-NATIVE	TOTAL	NATIVE % OF TOTAL
CANADA	3,760	212,690	216,450	1.7
B.C.	340	23,080	23,420	1.4
ALTA.	1,020	75,925	76,945	1.3
SASK.	475	12,570	13,045	3.6
MAN.	310	6,570	6,880	4.5
ONT.	535	42,600	43,135	1.2
QUE.	510	31,260	31,770	1.6
N.B.	5	4,055	4,060	0.1
N.S.	15	6,675	6,690	0.2
P.E.I.	–	160	160	–
NFLD.	20	6,720	6,740	0.3
N.W.T.	450	1,750	2,200	20.0
YK.	85	1,315	1,400	6.1

I.E. - 3.6% of the labour force in the mining, quarrying and oil and gas sectors in Saskatchewan are native.

Appendix C

Government Programs/Policies
for Native Participation
in Mining

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: ALBERTA

2. FINANCIAL ASSISTANCE PROGRAMS/POLICIES

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Alberta Business Incubator Support Program	To assist communities with the development and initial operations of needy businesses. Applicants may be local government, local development organizations, and profit or non-profit organizations working with a local government.	1. Development funds, up to $25,000 or 50% of cost, whichever is less. 2. Initial Operations Communities with populations of: - under 25,000; eligible for $75,000 or 50% of operating deficit, whichever is less. - 25,001 - 100,000: eligible for $100,000 - $150,000, or 50% of operating deficit, whichever is less. - greater than 100,000; eligible for $300,000 or 50% of operating deficit, whichever is less.	Alberta Economic Development and Trade (403) 427-5267

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: ALBERTA

2. FINANCIAL ASSISTANCE PROGRAMS/POLICIES

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Special Placement Work Experience Program	To assist disabled and disadvantaged Albertans to obtain work experience in Provincial Government which may help them in securing permanent employment.	Participants are paid $5.50/hour and funding is provided for six months.	Alberta Personnel Office (403) 427-2168
Summer Temporary Employment Program	To provide temporary employment and career development for unemployed Albertans during the summer months.	Non-profit employers and other organizations will be re-imbursed $3.80/hour plus 10% for other costs and government departments will be re-imbursed $6.00/hour.	Alberta Career Development and Employment (403) 427-4740
Support of Special Needs Groups Program (i.e. Native Outreach)	To provide financial support to 6 non-profit community agencies who provide employment counselling and/or employment placement services to Albertans faced with employment barriers.	Operational grants to these organizations.	Alberta Career Development and Employment (403) 427-4740

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: ALBERTA

2. FINANCIAL ASSISTANCE PROGRAMS/POLICIES

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Alberta Community Business Development Training Program	To assist communities to acquire a better understanding of the economic development relationship in their region. The program is available to associations, communities, municipalities or interested groups.	Assistance is provided to cover such topics as: - developing a community information package - forming an economic development committee - developing a community economic development plan. - etc.	Alberta Economic Development and Trade (403) 427-5267
Alberta Opportunity Company	Designed to promote small business and the general growth and diversification of the economy of Alberta.	Guaranteed and business loans can be provided to Alberta businesses unable to obtain financing from conventional lenders on reasonable terms and conditions.	Alberta Economic Development and Trade (403) 427-5267
Native Venture Capital	The Alberta Government, a number of Alberta based corporations, and Alberta Natives have joined to form a pool of long-term business capital to assist existing and beginning Native businesses.	NVCC provides capital in the form of equity or debt. Generally, NVCC becomes a minority shareholder in the business.	Native Venture Capital (403) 453-3911

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: ALBERTA

3. TRAINING PROGRAMS/POLICIES

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Grants to School Jurisdictions for Native Education Proposals	Designed to support school boards in the development and delivery of programs and services that will address the needs of Native students and their communities throughout the province.	The funds available for 1987-88 were $4,000,000.00 of which $2,000,000.00 was set aside for language development.	Alberta Education (403) 427-2043

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: BRITISH COLUMBIA

1. CONSULTATION PROGRAM/POLICIES

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Mine Development Review Process	To facilitate and expedite sound, publicly acceptable mining ventures through a comprehensive procedure for review and approval of all proposed coal and hard-rock mines in British Columbia.	A "one window" contact point. Staged project information/consultation provided. Affected native groups are informed about proposed mining developments, feedback is invited. Mining companies are encouraged to consult with groups to resolve differences. Early identification and effective management of environmental, socio-economic and financial impacts. Integration of major political, policy, and technical issues for decisions by Cabinet Committee on Sustainable Development.	Mine Development Steering Committee Ministry of Energy, Mines and Petroleum Resources. Victoria, British Columbia (604) 356-2229

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: BRITISH COLUMBIA

2. FINANCIAL ASSISTANCE PROGRAMS/POLICY

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Prospector Assistance Program	To assist independent prospectors in discovering mineral deposits.	Grants of up to $7,500 for approved prospecting program.	Geological Survey Branch, Ministry of Energy, Mines and Petroleum Resources, Victoria British Columbia (604) 386-8182
Regional Seed Capital Program	To encourage financial institutions to lend money to viable small businesses.	Loan guarantees to financial institutions not to exceed 75% of the total loan amount and no single guarantee to exceed $100,000.	Ministry of Regional and Economic Development Vancouver, British Columbia (604) 660-2323
First Citizens Fund Loan Program	To encourage native economic development through support to native business initiatives. Business must be 51% controlled by natives born and living in British Columbia, with the majority of head office operations taking place in British Columbia.	A deferred contribution loan up to a maximum of $75,000 to be used for start-up, expansion and upgrading.	Administered through: All Nations Trust Company, Kamloops, British Columbia (604) 372-7225

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: BRITISH COLUMBIA

3. TRAINING PROGRAMS/POLICY

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Enterprise Centres	To provide existing and potential businesses with access to business information.	Local Chamber of Commerces, Economic Development Commissions, and other agencies such as Community Colleges throughout B.C., operate a network of information centres linked directly into the Business Centre in Vancouver by telephone and computers. Centres exist in 19 B.C. towns and cities. These centres act as a local contact point for business literature, information, and advice. Some centres provide counselling.	For more information contact: Info Business Centre Vancouver, British Columbia (604) 660-3900 Toll Free 1-800-972-2255
Business Information Centre Program	To supply basic information to the small business community and to provide a first point of access to assistance programs and services available from government agencies.	In co-operation with local Chambers of Commerce, Business Information Centres have been established in 84 Chamber offices in communities throughout the Province. The local manager is trained as a Business Information Officer and is supplied with information produced by various government agencies. Some centres may also provide a resource centre and access to the B.C. Business Network.	Ministry of Regional and Economic Development, Vancouver, B.C. (604)660-3902

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: BRITISH COLUMBIA

3. TRAINING PROGRAMS/POLICIES, cont...

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Employment Plus: Employment Opportunity Program	Provides employers with financial incentives to hire and train income assistance recipients.	Wage subsidy of 50% of wage to a maximum limit of $3.50 per hour for up to six months.	Ministry of Social Services and Housing. Contact: District Offices Victoria, British Columbia (604) 370-4358
Training Investment Program	Provides employers with financial incentives to develop human resource planning and related training strategies.	Up to 60%, to a maxium of $50,000, to cost-share eligible direct training costs. In some areas, Employment Training Counsellors are available to assist employers, free free of charge.	Ministry of Advanced Education and Job Training, and Ministry Responsible for Science and Technology. Contact: District Office or TEC Centre. Victoria, British Columbia (604) 387-3698
Apprenticeship Program	To assist the employer and apprentice in establishing an apprenticeship program.	Provides assistance in registrating, scheduling, co-ordinating, monitoring, of apprenticeship. As well, provides appropriate technical classroom training and counselling for a specified period of time.	Same as above.

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: BRITISH COLUMBIA

3. TRAINING PROGRAMS/POLICIES, cont...

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
B.C. Summer Employment Program	Provides unemployed youth and students (aged 15-24) with summer employment opportunities, in order to develop entry level work skills.	Provides private sector employers with a wage subsidy of 33 1/3% of the hourly wage paid up to a maximum contribution of $2.50 per hr.	Same as above
Level 1 Propsecting Course, (Part of Prospectors Assistance Program)	To provide practical instruction in prospecting methods.	Level 1 Prospecting Course is provided 8-10 times a year at various locations throughout the province. Some funding and instructional materials are provided by the Ministry of Energy, Mines & Petroleum Resources. Courses are offered in co-operation with Prospecting Associations or Community Colleges.	Geological Survey Branch, Ministry of Energy, Mines Petroleum Resources Victoria, British Columbia (404) 356-8182
Advanced Prospecting Course, (Part of Prospectors Assistance Program)	To provide practical instruction in prospecting methods.	Advanced Prospecting Course is an annual 18 day, live-in course jointly sponsored by the Ministry of Energy, Mines and Petroleum Resources and the Ministry of Education with the assistance of Malaspina College, Nanaimo.	Geological Survey Branch, Ministry of Energy, Mines Petroleum Resources, Victoria, British Columbia (404) 356-8182

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: BRITISH COLUMBIA

4. LIASON/MEDIATION/ADVISORY SERVICES

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Premier's Council on Native Affairs	To assess Provincial Government economic and social policies in order to assist in the further development of the position of Native peoples in British Columbia.	Round table meetings with major provincial native groups. Review of existing provincial government policies and programs. Preparation of recommendations on economic and social policy regarding native poeple.	Premier's Council on Native Affairs, Ministry of Native Affairs Victoria, British Columbia (604) 356-8281

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: GOVERNMENT OF THE NORTHWEST TERRITORIES

1. CONSULTATION PROGRAMS/POLICIES

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Territorial Mine Training Committee	To facilitate development of targeted training programs for natives (and northerners) aimed at increasing participation rates in the mining sector.	Territorial/Federal /Native Groups/Arctic College/Industry (NWT Chamber of Mines) Member Committee, which acts as a forum and policy/procedure development implementor and guide.	Assist. Deputy Minister (chair) Advanced Education Department of Education Government of the N.W.T. P.O. Box 1320 Yellowknife, N.W.T. X1A 2L9

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: GOVERNMENT OF THE NORTHWEST TERRITORIES

2. FINANCIAL ASSISTANCE PROGRAMS/POLICIES

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Business Loans and Guarantees Fund	Provision of loans and loan guarantees as a 'lender of last resort' to new undertakings.	Up to $500,000.00 per applicant. Terms 5 years at prime plus 2%.	Director, Business Services Department of Economic Development & Tourism Government of the N.W.T. P.O. Box 1320 Yellowknife, N.W.T. X1A 2L9
Eskimo Loan Fund	Provision of loans and loan guarantees as a 'lender of last resort' for new Inuit undertakings only.	Up to $250,000.00 per applicant. Terms 15 years at prime plus 1%. All business more than half owned by Inuit and employ more than 51% Inuit workers are eligible.	Director, Business Services Department of Economic Development & Tourism Government of the N.W.T. P.O. Box 1320 Yellowknife, N.W.T. X1A 2L9
Financial Assistance to Business	Provision of financial assistance to existing enterprises in difficulty.	Restricted to business duly registered or licensed to carry on business in the NWT. Assistance is geared to such factors: - fixed costs - number of person years maintained - annual wage bills. Restricted to applicants, owning 51%, who have been an NWT resident for more than 1 year.	Director, Business Services Department of Economic Development & Tourism Government of the N.W.T. P.O. Box 1320 Yellowknife, N.W.T. X1A 2L9

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: GOVERNMENT OF THE NORTHWEST TERRITORIES

2. FINANCIAL ASSISTANCE PROGRAMS/POLICIES (con't)

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Business Development	Provision of financial assistance to northern businesses for the establishment, expansion and modernization of business enterprises in the NWT.	Job creation limiting i.e. $10,000.00 per additional full-time position created to a maximum of $50,000.00 and a maximum of 25% of the total expenditure purpose. Restricted to applicants, owning 51%, who have been an NWT resident for more than one year.	Director, Business Services Department of Economic Development & Tourism Government of the N.W.T. P.O. Box 1320 Yellowknife, N.W.T. X1A 2L9
Small Business Grants	Provision of financial assistance to small business in need of developmental money or to meet extraordinary costs.	Grants limited to a maximum of $2,500.00 (1 time only grant, per applicant).	Director, Business Services Department of Economic Development & Tourism Government of the N.W.T. P.O. Box 1320 Yellowknife, N.W.T. X1A 2L9
Carving Stone Supply	Provision of assistance to business in the delivery of soapstone, whale bone, bone, antlers or ivory to increase the availability of carving materials and earned income from carving activity in the NWT.	Technical expertise provision is assisted. Provision of subsidies above a base amount of $2.75 per kilogram transportation costs landed in a community.	Director of Arts and Crafts Department of Economic Development & Tourism Government of the N.W.T. P.O. Box 1320 Yellowknife, N.W.T. X1A 2L9

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: GOVERNMENT OF THE NORTHWEST TERRITORIES

2. FINANCIAL ASSISTANCE PROGRAMS/POLICIES (con't)

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Venture Capital	To stimulate equity capital investment and enhance business management skills in the NWT (eg. to buy into a mine camp catering service).	Provision of 30% of initial investments to a maximum of $150,000 per applicant, of northern controlled businesses wishing to purchase equity shares of NWT businesses.	Director, Business Services Department of Economic Development & Tourism P.O. Box 1320 Yellowknife, N.W.T. X1A 2L9
CESO (Canadian Executive Service Organization)	Economic Development & Tourism contracts CESO to provide administration, financial and technical counselling to NWT businesses, to enhance northern business opportunities and competitive position.	Provided by retired individuals who have direct experience. Limited to companies with sales of less than $4.0 million annually.	Director, Business Services Department of Economic Development & Tourism Government of the N.W.T. P.O. Box 1320 Yellowknife, N.W.T. X1A 2L9
Advice to Business Program	To assist the northern business community in developing new business, expand or modernizing existing businesses and to assist communities in developing local economies.	Provision of advice, assistance and service in: - community business development - proposal development - management assistance.	Director, Business Services Department of Economic Development & Tourism Government of the N.W.T. P.O. Box 1320 Yellowknife, N.W.T. X1A 2L9; and Regional Superintendent Economic Development & Tourism and Community Economic Development Officers

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: GOVERNMENT OF THE NORTHWEST TERRITORIES

2. FINANCIAL ASSISTANCE PROGRAMS/POLICIES (con't)

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Small Business Development Subsidiary Agreement - Economic Development Agreement	To stimulate new development opportunities and private sector investment in the NWT.	1) Opportunity Identification - to encourage entrepreneurs to undertake the investigation of new business development opportunities which diversify NWT economic activity (50% of approved consulting costs; with the proponent required to contribute the other 50%). 2a.) Small Business Development Incentives - to stimulate development of small business enterprises in the NWT by offsetting limited availability of capital and increased costs of doing business in the North. For new business - up to 40% of eligible project costs to a maximum of $200,000.00 (proponent to provide a minimum of 20% of project costs). 2b.) For the expansion, upgrading or modernization of an existing business - up to 30% of eligible costs to a maximum of $100,000.00 (proponent to provide a minimum of 20% of project costs).	EDA Secretariat Department of Economic Development & Tourism Government of the N.W.T. P.O. Box 1320 Yellowknife, N.W.T. X1A 2L9

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: GOVERNMENT OF THE NORTHWEST TERRITORIES

2. FINANCIAL ASSISTANCE PROGRAMS/POLICIES (con't)

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Student Financial Assistance	To provide financial support to Northwest Territories residents to enable them to complete post-secondary education so as to prepare for careers in the NWT.	-Basic Grants to provide transportation assistance to education institutions, costs of tuition and up to $250 per year for books. - Student Loans up to $4400 per year to a maximum of $26,000 over the course of the education program. - Supplementary grants for native students averaging $163 per week and child care allowances. Limitation: Full-time institutional training or education programs of at least six weeks duration, leading to certification at the post-secondary level.	Area or Regional Supt. of Education or Certification & Student Assistance Department of Education Government of the N.W.T. P.O. Box 1320 Yellowknife, N.W.T. X1A 2L9

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: GOVERNMENT OF THE NORTHWEST TERRITORIES

3. TRAINING PROGRAMS/POLICIES

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Mine Mill Operator	To prepare local people for mill operator positions.	- 6 month program - salary assistance available (industry/ government shared) - 50% in-class; 50% practical with practicum.	Vice President Yellowknife Campus Arctic College P.O. Box 1320 Yellowknife, N.W.T. X1A 2L9
Prospecting Courses	To develop local expertise and the human resource base available to mining exploration companies.	- 6 weeks in-class and practical regional course.	Vice President Yellowknife Campus Arctic College P.O. Box 1320 Yellowknife, N.W.T. X1A 2L9
Apprenticeship Training Assistance	To assist northern businesses to employ apprentices for training as certified journeymen in the designated trades of the N.W.T.	Full-time employment and training in Apprenticeship Programs, ranging from one to four years, which combine on-site training and experience under the supervision of a certified journeyman, with courses at educational institutions. Wage cost-shared with employers for: - 1st year, 50% of salary to a weekly maximum of $200 - 2nd year, 40% of salary to a weekly maximum of $150 - 3rd year, 30% of salary to a weekly maximum of $150.	Area or Regional Superintendent of Education or Employment and Apprenticeship Programs Department of Education Government of the N.W.T. P.O. Box 1320 Yellowknife, N.W.T. X1A 2L9

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: GOVERNMENT OF THE NORTHWEST TERRITORIES

3. TRAINING PROGRAMS/POLICIES (con't)

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Apprenticeship Training Assistance (con't)		Financial assistance while attending theory training at educational institutions is available from Employment and Immigration Canada.	
Employability Enhancement	To prepare residents, dependent on social assistance, for long-term employment through training and experience.	Training can take place in a formal classroom setting at local education institutions, or on the job under appropriate supervision while the worker learns the job duties, or both. - up to 100% of wages to a weekly maximum of $350 - up to $40 per day per individual to cover training related costs - Non-profit groups can receive up to $60 per week per employee for related training costs.	Area or Regional Superintendent of Education Community Social Worker or Regional Superintendent of Social Services

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: GOVERNMENT OF THE NORTHWEST TERRITORIES

3. TRAINING PROGRAMS/POLICIES (con't)

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Training On-the-Job	To prepare northerners for permanent employment by eliminating employment barriers resulting from lack of skills or experience.	- full-time employment and training in a structured training program providing the skills and experience needed to prepare for further training or employment - also accommodates institutional training (i.e. upgrading) and community-based workshops - salary subsidies for a period of up to 2 years at 50% of salary to a maximum of $300 per week.	Area or Regional Superintendent of Education or Employment and Apprenticeship Programs Department of Education Government of the N.W.T. P.O. Box 1320 Yellowknife, N.W.T.
GeoScience Program within the Mineral Development Agreement (sub-agreement of EDA)	Geological mapping of NWT.	- potential summer employment for interested native grade10 and up students - purchase of aircraft charter time and geoscience camp supplies from local community businesses	Director, Mineral Policy Department of EM&PR Government of the N.W.T. P.O. Box 1320 Yellowknife, N.W.T. X1A 2L9

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: GOVERNMENT OF THE NORTHWEST TERRITORIES

3. TRAINING PROGRAMS/POLICIES (con't)

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Explosives Handling (blasting)	To teach the safe handling of explosives. To teach familiarity with the rules and regulations governing safe handling and use.	- training program of 2 full days duration - 1 day classroom - 1 day field (practical) - resulting in successful applicants receiving a *Blasting Permit* or Certificate of Attendance	Director & Chief Inspector Mine Safety Division Department of Safety and Public Services Government of the N.W.T. P.O. Box 1320 Yellowknife, N.W.T. X1A 2L9
Mine Rescue Training	Teach mine personnel the safe handling of underground emergencies and rescues.	Basic course - 3 days Advanced course - 3 days (after 2 years experience and having taken the basic course)	Director & Chief Inspector Mine Safety Division Department of Safety and Public Services Government of the N.W.T. P. O. Box 1320 Yellowknife, N.W.T. X1A 2L9

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: GOVERNMENT OF THE NORTHWEST TERRITORIES

4. LIAISON/MEDIATION/ADVISORY SERVICES

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Mine Training in the NWT - a Strategy	To develop a response mechanism targeted at the training and human resource needs of the northern mining industry.	Various government/industry sponsored individual training programs. The basis of a forum for industry/government discussion.	Vice President Yellowknife Campus Arctic College P.O. Box 1320 Yellowknife, N.W.T. X1A 2L9
Career Services	To offer NWT residents the opportunity to develop and achieve personal career goals through a coordinated career planning, referral and placement system.	Services: Career resource centres, central libraries of career information material are located in Yellowknife and at regional centres to provide residents with brochures and pamphlets on education institutions and employment opportunities. Career Counselling: Testing is conducted to determine education levels and vocational aptitude, and residents are provided with advice and alternatives to make education and career decisions.	Area or Regional Supt. of Education or Employment and Apprenticeship Programs Department of Education Government of the N.W.T. P.O. Box 1320 Yellowknife, N.W.T. X1A 2L9

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: GOVERNMENT OF THE NORTHWEST TERRITORIES

4. LIAISON/MEDIATION/ADVISORY SERVICES (con't)

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Career Services (con't)		Career Shows/Job Fairs: Annual events which allow residents to meet with employees at a central location, discuss career opportunities, and view displays of educational and career material.	
ENTER - (Education's Northern Employment and Training Register)	To identify an NWT-wide data base on individuals' interests in training and job referrals for: - training needs determination - planning purposes for Arctic College.	Regional and Community counselling and data input centres. Provision of advice and information to: - prospective employers - training agencies - education institution.	Labour Market Analyst/Regional Superintendents of Education Department of Education Government of the N.W.T. P.O. Box 1320 Yellowknife, N.W.T. X1A 2L9
Labour Market Analysis	To assist in enhancing the rate of northerners employment participation through provision of current labour market data on a regional/community/ territorial basis.	Provision of advice and information to: - training agencies - education institution - prospective employers.	Labour Market Analyst Department of Education Government of the N.W.T. P.O. Box 1320 Yellowknife, N.W.T. X1A 2L9

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: GOVERNMENT OF THE NORTHWEST TERRITORIES

4. LIAISON/MEDIATION/ADVISORY SERVICES (con't)

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Northern Mining Information Program (NMIP)	Increase awareness of Northerners regarding employment and business opportunities in the mineral industry.	Awareness Programs and Education Aids & Tours, utilizing such things as: - posters - maps - videos/slides - radio spots - career day exhibition - tours to remote communities.	Director, Mineral Policy Department of EM&PR Government of the N.W.T. P.O. Box 1320 Yellowknife, N.W.T. X1A 2L9
Mine Safety Training Consultation and Monitoring/ Regulatory Service	Adherence to existing legislation (NWT Mine Safety Act). To promote safe practices and safety in mine management. Advisory service respecting individual mine safety manuals and programs.	Inspections, consultations and advisory/consultation Services. Across territorial data base covering 56 categories of training and mine certification information D-Base System.	Director & Chief Inspector Mine Safety Division Department of Safety and Public Services Government of the N.W.T. P.O. Box 1320 Yellowknife, N.W.T. X1A 2L9

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: ONTARIO

1. CONSULTATION PROGRAMS/POLICIES

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Guide lines for Land Use Planning: 1. Strategic Land Use Guidelines 2. District Land Use Guidelines	To plan and manage the activities involving land use on Crown Land, with respect to mineral rights, surface rights, etc.	Consultation provided by local/district offices	Ministry of Natural Resources.
Not Native-specific			
Native Program Advisory Committee	Native advisory committees oversee Native programming in 14 colleges which offer Native-specific programs		Ministry of Colleges and Universities

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: ONTARIO

2. FINANCIAL ASSISTANCE PROGRAMS/POLICIES

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Northern Native Small Business Development Program	To provide assistance for economic development activities. The program includes business start-up, seminars, opportunity studies, etc.		Ministry of Citizenship Ministry of Northern Development and Mines Ministry of Industry, Trade & Technology
Ontario Mineral Incentive Program (OMIP)	To assist junior companies & prospectors in exploration	Grants of up to $300,000 can be awarded to applicants. In 1989, 50 grants of up to $150,000 were awarded.*	Ministry of Northern Development and Mines
Not native specific			
*Regulations concerning the increase in the maximum allowed under this program (from $150,000 to $300,000) are being approved.			
Ontario Prospectors' Assistance Program (OPAP)	To assist prospectors in exploration.	Grubstake grants of up to $10,000 may be awarded to applicants. 100% of eligible expenses may be reimbursed. In 1989, 264 and in 1990, 416 grants were awarded.	Ministry of Northern Development and Mines.
Not Native-specific.			

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: ONTARIO

2. FINANCIAL ASSISTANCE PROGRAMS/POLICIES

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
1. Learning materials Development Plan	To provide financial assistance towards publication of learning materials.		Ministry of Education
2. Native Counselor Training	Financial assistance to non-status and metis students.		

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: ONTARIO

3. TRAINING PROGRAMS/POLICIES

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
1. Campus employment 2. Summer experience 3. Student retention & transition 4. Courses in 14 Colleges of Applied Arts & Technology 5. Native Counselor training 6. Teacher education	To provide courses and programs for education in various arts and technology fields. To encourage Native students to graduate from high school. To prepare them for continued, post secondary education. To educate and prepare teachers for counselling of Native students. To increase the number of Native teachers.		Ministry of Colleges and Universities Ministry of Education

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: QUEBEC

1. CONSULTATION PROGRAM/POLICIES

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Cooperation agreement on the economic development of Native peoples.	To integrate the economic development of Native peoples, including the development of mineral resources, into the Economic and Regional Development Agreement (ERDA).	Recommendation in consultation with Native leaders aimed at remedying shortcomings and gaps in relations between Native peoples and the Quebec mining industry.	Secrétariat aux Affaires autochtones (SAA); ministère de l'Énergie et des Ressources (MER-Mines); Department of Indian Affairs and Northern Development (DIAND); Department of Energy, Mines and Resources (EMR Canada).

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: QUEBEC

2. FINANCIAL ASSISTANCE PROGRAMS/POLICY

Program/Policy or Service	Objective	Form of Assistance	Program/PolicyAdministrator
Prospecting assistance.	To encourage the discovery of mineral deposits through propecting.	Prospecting grants: $10,000/year/person, or $100,000/year/company.	Direction générale de l'Exploration géologique et minérale, ministère de l'Énergie et des Ressources (MER-Mines). (418) 646-2707.
Assistance with respect to technico-economic studies and experimental work.	To foster increased mining output.	50% of the cost of feasibility studies or experimental work, to a maximum of $250,000 per project.	Direction générale de l'industrie minérale, ministère de l'Énergie et des Ressources (MER-Mines). (418) 646-2692

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: QUEBEC

3. TRAINING PROGRAMS/POLICY

Program/Policy or Service	Objective	Form of Assistace	Program/Policy Administrator
Prospecting assistance.	To encourage the discovery of mineral deposits through independent prospecting.	Prospecting courses	Direction générale de l'Exploration géologique et minérale, ministère de l'Énergie et des Ressources (MER-Mines). (418) 646-2707

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: SASKATCHEWAN

1. CONSULTATION PROGRAM/POLICIES

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Surface lease.	To increase northern economic involvement in the form of labour participation or supply and service activity.	Imposition of conditions on surface lease holder which require certain behaviour or effort.	Northern Affairs Secretariat

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: SASKATCHEWAN

3. TRAINING PROGRAMS/POLICY

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Native Career Development Program (NCDP)	To train natives for specific mining or non-mining job vacancies.	The employer identifies the position and defines terms of future employment. The NCDP will help recruit and screen applicants and help develop training plans. Most training is on the job site. The NCDP will pay part of a training salary, and provide non-monetary support to ensure training is successful.	Indian and Native Affairs Secretariat
Northern Training Program	To prepare northerners for placement in known job openings.	Specific skills training is cost-shared with other federal and provincial organizations. Northern Education works with employers on a selection committee in anticipation of positions. Candidates are selected from communities which are impacted by the development. Training programs last 4 to 12 months and are often on-site.	Northern Division, Department of Education

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: SASKATCHEWAN

4. LIASON/MEDIATION/ADVISORY SERVICES

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Northern Labour Market Committee	To identify and assess emerging labour market issues in northern Saskatchewan and to develop recommendations and initiate actions towards the resolution of such issues.	An exchange of information among influential membership (including industry, native groups educators, and governments) and the utilization of a sub-committee structure to undertake specific assigned initiatives.	Ray McKay, Executive Director of Saskachewan Education, Northern Division, is the permanent Chairperson with rotating co-chairpersons.

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: GOVERNMENT OF YUKON

1. CONSULTATION PROGRAMS/POLICIES

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Development Assessment	To review development projects for socio-economic impacts and to evaluate project costs and benefits.	Informal departmental review of impacts, costs and benefits for input into DIAND's RERC (*) process. Involves consultation and discussion with project proponent and affected communities and Indian bands in order to identify local concerns and to encourage local participation in project. May involve negotiation of development agreement with project proponent if government financial assistance is involved. More formal Development Assessment Process, provided for under Yukon Indian Land Claim Agreement, is now under development.	Manager, Policy & Planning Dept. of Economic Development P.O. Box 2703 Whitehorse, Yukon Y1A 2C6 (403) 667-5809

(*) RERC refers to the Regional Environmental Review Committee, which in Yukon is the initial stage of the federal Environmental Assessment and Review Process (EARP).

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: GOVERNMENT OF YUKON

2. FINANCIAL ASSISTANCE PROGRAMS/POLICIES

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Yukon Mining Incentives Program	To support and enhance mineral prospecting, exploration and development activities in Yukon	Prospectors may apply for a contribution to cover 100% of their basic operating expenses up to $10,000 per year; Individuals, partnerships or companies providing prospectors with a grubstake may apply for a contribution to cover 75% of their expenses up to $10,000 per person per year; Individuals, partnerships and junior companies undertaking work directed at appraising the potential of an unevaluated prospect or target may apply for a contribution covering 50% of their expenses to a maximum of $20,000 per year; Individuals, partnerships and junior companies undertaking work on a known deposit or occurence may apply for a contribution of up to $50,000 per year. Exploration expenses are reimbursed at a rate of 25%; development expenses at a rate of 6.25%.	Mining Development Officer Energy & Mines Branch Dept. of Economic Development P.O. Box 2703 Whitehorse, Yukon Y1A 2C6 (403) 667-5378

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: GOVERNMENT OF YUKON

2. FINANCIAL ASSISTANCE PROGRAMS/POLICIES

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Business Development Fund	To encourage the creation and growth of small businesses.	A funding source of last resort for businesses with annual gross revenues of less than $5 million and fewer than 100 employees. Corporations, partnerships, sole proprietorships, cooperatives societies chambers of commerce, Indian bands and nonprofit organizations owned and controlled by recognized community groups may apply for assistance in the form of low interest loans, loan guarantees, or repayable or non-repayable contributions up to a maximum of $500,000. Assistance may be for approved capital, inventory, operational or development costs.	Manager, Business & Community Development Dept. of Economic Development P.O. Box 2703 Whitehorse, Yukon Y1A 2C6 (403) 667-3565

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: GOVERNMENT OF YUKON

2. FINANCIAL ASSISTANCE PROGRAMS/POLICIES

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Canada/Yukon Small Business Incentives Subagreement	To encourage the establishment, expansion and modernization of manufacturing and processing businesses.	Businesses with less than 250 employees which are or plan to be involved in manufacturing processing may apply. Assistance may be in the form of repayable or non-repayable contributions covering up to 50% of eligible project costs, to a maximum of $2 million. Eligible costs include capital costs, feasibility studies and demonstration projects.	Manager, Financial Programs Dept. of Economic Development P.O. Box 2703 Whitehorse, Yukon Y1A 2C6 (403) 667-3566 or Industry, Science & Technology Canada #301 - 108 Lambert Street Whitehorse, Yukon Y1A 1Z2 (403) 668-4655

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: GOVERNMENT OF YUKON

2. FINANCIAL ASSISTANCE PROGRAMS/POLICIES

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Community Development Fund	To increase the participation of all Yukon people in the economy by reducing barriers to participation for Indians, women, seniors people with disabilities and rural residents	A source of funding for community development projects proposed by local governments, community associations, Indian bands, nonprofit societies and cooperatives. Assistance in the form of repayable or non-repayable contributions to a maximum of $100,000 per project per year may be provided for projects which focus on one or more of the following: community planning; training; development of management skills; improvement of job opportunities; improvement of community facilities and services; enhancement of subsistence activities.	Manager, Business & Community Developmentt Dept. of Economic Developmen P.O. Box 2703 Whitehorse, Yukon Y1A 2C6 (403) 667-3565

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: GOVERNMENT OF YUKON

2. FINANCIAL ASSISTANCE PROGRAMS/POLICIES

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Resource Transportation Access Program	To stimulate resource development in previously inaccessible areas	Provides funding assistance for construction or upgrading of access roads, helicopter landing pads, small boat docks, seaplane bases, airstrips and winter roads in areas with proven or high potential for either renewable or non-renewable resource development. Applicants from the private sector may receive contributions covering up to 75% of project costs to a maximum of $500,000 per year. In some cases the government may construct the facility and fund the project 100%.	Director, Transportation Capital Development Dept. of Community & Transportation Services P.O. Box 2703 Whitehorse, Yukon Y1A 2C6 (403) 667-3072

GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

JURISDICTION: GOVERNMENT OF YUKON

3. TRAINING PROGRAMS/POLICIES

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Apprenticeship Program	To assist employers and apprentices in establishing apprenticeship training programs	Provides assistance in registering, scheduling, coordinating and monitoring of apprenticeships. Provides appropriate technical classroom training and counselling.	Director, Human Resource & Career Planning Dept. of Education P.O. Box 2703 Whitehorse, Yukon Y1A 2C6 (403) 667-5140
Apprentice Incentive Marketing Program	To encourage new apprenticeship opportunities for Yukoners in any of the occupations designated apprenticable in Yukon	Private sector employers, nonprofit organizations, municipalities or Indian bands who employ a certified journeyman in the required occupation for each apprentice to be registered may apply for a wage subsidy for apprenticeship positions.	Industrial Training Officer Advanced Education Branch Dept. of Education P.O. Box 2703 Whitehorse, Yukon Y1A 2C6 (403) 667-5930

FEDERAL GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

1. CONSULTATION PROGRAMS/POLICIES

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Canadian Aboriginal Economic Development Strategy (CAEDS)	- to encourage lon -term employment and participation by native individuals, groups and businesses in economic activities.	- there are eight components supporting the objective. - details about these components and forms of assistance are described in the following four sections under the appropriate partner departments.	- This strategy is cooperatively administered by Indian and Northern Affairs Canada (INAC), Industry, Science and Technology (ISTC) and Employment and Immigration Canada (EIC).
INDIAN AND NORTHERN AFFAIRS CANADA			
Environmental Advocacy	- to assist status Indian groups and organizations in dealing with minng companies concerning environmental issues.	- provide technical assistance to status Indian groups and organizations who are having difficulty with environmental issues such as the EARP process. - acts as an advocate on behalf of the particular status Indian interest in dealing with the provinces or development companies.	Environment Directorate, Land, Revenues and Trusts, Indian and Inuit Affairs Program Tel: Hull (819) 997-8424
Northern Land Use Planning Program	- to prepare land use plans to guide the future use and management of land and associated resources, inland waters and the offshore in Yukon and the Northwest Territories (NWT).	In NWT, native people have been appointed to the Management Steering Committee and to three regional planning commissions. In Yukon, they have been appointed to the Policy Advisory Committee and the Greater Kluane Regional Planning Commission. Commissions encourage presentations from the public, industry, native organizations and governments to develop regional land use plans. Financial assistance is provided to native organizations to participate in the planning process.	Denendeh Planning Commission Tel: Yellowknife (403) 920-6003 Mackenzie Delta/Beaufort Sea Regional Land Use Planning Commission Tel: Inuvik (403) 979-3986 Greater Kluane Regional Planning Commission Tel: Whitehorse (403) 668-4070 Nunavut Planning Commission Tel: Rankin Inlet (819) 645-2806

FEDERAL GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

1. CONSULTATION PROGRAMS/POLICIES (con't)

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Resource Access Negotiations	- as a part of CAEDS and the Access to Resources component, to assist status Indians, Indian Bands and Inuit Communities in negotiating benefits from resource developments such as mining, both on and off reserves.	- funds may be available for: - technical and legal costs of consultants - persons hired to negotiate on behalf of communities - promotional and communications aids - community administration and coordination related to the project	Resource Development Directorate, Economic Development Program Tel: Hull (819) 997-8922, also the various Regional Economic Developmental offices throughout Canada can supply information.
Federal-Provincial-Territorial Agreements	- as a part of CAEDS and the Access to Resources component, assists status Indians, Indian Bands and Inuit Communities in obtaining benefits from any resource based activities in northern and remote regions.	- provide advisory services to maximize benefits from economic development and traditional activities near communities.	Regional Economic Development Offices throughout Canada can supply information.
ENVIRONMENT CANADA			
Environmental Assessment and Review Process (EARP)	- to ensure projects, including mining, do not adversely impact on the physical and related socio-economic environment	- Federal departments screen project proposals for which they have decision-making responsibility to ensure that the environmental implications are fully considered - where it is considered the implications are significant and cannot be mitigated by known technology, or where there is significant public concern, initiating departments must refer the proposals to the Minister of the Environment	Individual departments should be contacted regarding specific project proposals. FEARO should be contacted for information regarding panel reviews. Information about EARP and FEARO Tel: Ottawa (613) 997-1000

FEDERAL GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

1. CONSULTATION PROGRAMS/POLICIES (con't)

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Environmental Assessment and Review Process (EARP)		for public review by an Environmental Assessment panel appointed by the Federal Environmental Assessment Review Office (FEARO). - included in the consideration of a proposal are the potential environmental and related socio-economic effects and public concerns regarding the proposal. - native concerns would be included in the assessment of the proposal. - see FEARO in Financial section regarding intervenor funding for participation in the panel review stage of the process.	

FEDERAL GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

2. FINANCIAL ASSISTANCE PROGRAMS/POLICIES

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
INDUSTRY SCIENCE AND TECHNOLOGY CANADA			
Aboriginal Business Development Program (ABDP)	- as a part of CAEDS, to provide financial and development assistance to native entrepreneurs and communities for viable commercial ventures, such as in the mining sector	- financially supports all phases of the business cycle: - development of business plans and feasibility studies - establishment, expansion, modernization and acquisition of businesses - new product and service development - marketing and promotion initiatives - physical services for businesses (infrastructure) - pilot project development - project follow-up costs - managerial, technical and entrepreneurial training - economic studies, seminars or promotional activities	Aboriginal Economic Programs Ottawa (613) 954-4064, also, the various Regional Offices throughout Canada can supply information.
Joint Ventures	- as part of CAEDS, to encourage native entrepreneurs to undertake business arrangements with non-natives for mutual advantage, such as joint mining ventures	- financial assistance is limited to the native portion of a newly established joint venture and for related planning and aftercare	See Above

FEDERAL GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

2. FINANCIAL ASSISTANCE PROGRAMS/POLICIES (con't)

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
INDUSTRY SCIENCE AND TECHNOLOGY CANADA			
Aboriginal Capital Corporations (ACC)	- as a part of CAEDS, to expand the native infra-structure for financial services, and to enhance access to capital for native businesses thereby supplementing or supplanting mainstream commercial financing	- financially supports: - capitalization of new institutions (commercial loan corporations) - existing service expansion beyond initial capitalization - diversification into new financial services	See above
Research and Advocacy	- as a part of CAEDS, to promote native employment and business development through dissemination of ideas, information and representations	- assists native people, organizations and enterprises by: - supplying information on effective commercial and business methods and opportunities - providing research information on enterprise performance - providing data bases on businesses and business service networks	
FedNor	- to assist Northern Ontario entrepreneurs in fostering new business expansion, modern-ization, new product or service development and marketing studies	- grants and loans are available to entrepreneurs as follows: - Rural Small Business Program concentrates on ventures in small, single industry towns for projects with capital costs between	Head Office: Tel: Sault Ste Marie (205) 842-1372 District Offices: Tel: Sudbury (205) 675-0711 Tel: Thunder Bay (802) 623-4436

FEDERAL GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

2. FINANCIAL ASSISTANCE PROGRAMS/POLICIES (con't)

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
FedNor		$15-135,000. - Core Industrial Program concentrates on larger projects in major centres with minimum capital cost of $25,000.	
Manufacturing Productivity Improvement Program (MPIP)	- to assist manufacturers, including natives, in the Central Region of Quebec in improving productivity	- provides a range of financial business support that improves productivity on the high-tech side of industry.	Regional Development: Tel: Montreal (514) 283-8058
Enterprise Development Program (EDP)	- to assist businesses and entrepreneurs, including natives in the Resource Region of Quebec in fostering growth and opportunities	- provides a range of financial support primarily to the industrial and tourism sectors	See Above
La Prade Fund	- to encourage economic development in the La Prade area of Quebec	- reimbursable and non-reimbursable grants are available to assist businesses in the industrial, manufacturing, tourism, mining and community projects sectors to expand, develop, modernize, establish or undertake new opportunities.	Regional Development Office Tel: Quebec City (418) 648-4826

FEDERAL GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

2. FINANCIAL ASSISTANCE PROGRAMS/POLICIES (con't)

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Atlantic Enterprise Program Programme d'Entreprise Atlantique (AEP/PEA)	- to promote economic business opportunities throughout Eastern Quebec, including Gaspe, especially for businesses that are unable to qualify for assistance elsewhere.	- provides loan insurance of up to 85% of the eligible loan for new capital investment of at least $100,000 (not for working capital or for studies) - provides interest buy-down grants which reduce the interest rate on term loans for capital projects of at least $25,000.	Regional Development Office Tel: Rimouski (418) 722-3282
Small Business Loan Act	- to encourage small business development nationally by "freeing" monies for loans that otherwise would not be available to small business	- provides loan guarantees of under $100,000 to small businesses wishing to purchase or renovate fixed assets only. Loans to be obtained through either chartered banks, credit unions caisse populaire or certain trust companies	Entrepreneur and Small Business Office, ISTC, Tel: Ottawa (613) 954-5539 also Regional Offices throughout Canada can supply information.

FEDERAL GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

2. FINANCIAL ASSISTANCE PROGRAMS/POLICIES

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
ATLANTIC CANADA OPPORTUNITIES AGENCY			
A.C.O.A.	- to increase economic development opportunities in Atlantic Canada - to enhance growth of earned incomes and employment opportunities in this region	- financially supports business development particularly the growth of small-and medium-sized enterprises - provides advocacy support through policy, program and project development/implementation of the Region's interest	Head Office: Tel: Moncton 1-800-561-7862 or (506) 851-2221 Ottawa (613) 954-2422 Halifax (802) 426-6743 Fredericton (506) 452-3172 St. John's (708) 772-2751 Charlottetown (902) 566-7419
Enterprise Cape Breton Corporation (ECB)	- as a Crown Corporation and part of ACOA, addresses business opportunities in Cape Breton	- financially approves Crown support for projects between $50-$250,000 - projects exceeding the limit are forwarded to ACOA for disposition	Vice-President and Chief Operating Officer Tel: Sydney (902) 564-3614
WESTERN ECONOMIC DIVERSIFICATION CANADA			
Western Diversification Program	- to increase potential for economic development and diversification for Western Canada (Man., Sask., Alta., B.C.)	- financially supports the growth of enterprises that contribute to the region's diversification, including mining - pathfinder for western businesses seeking access to federal economic programs - advocacy support through policy, program and project development/ implementation of the Region's interest	Head Office and Alberta Regional Office Tel: Edmonton(403) 495-4164 Mining Sector Office: Tel: Saskatchewan (306) 975-4373 Other offices: Vancouver (604) 666-6256 Winnipeg (204) 983-4472 Liaison Office: Ottawa (613) 996-2508

FEDERAL GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

2. FINANCIAL ASSISTANCE PROGRAMS/POLICIES (con't)

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
ENERGY, MINES AND RESOURCES CANADA			
Mineral Development Agreements (MDAs)	- to strengthen and diversify the minerals and metal sectors of the provincial and territorial economies	- individual agreements jointly funded and delivered with provinces and territories generally have components related to geoscience, technological research, industrial minerals, public information -discussions are currently underway toward a second round of agreements.	Project delivery is by federal, provincial or territorial governments. Federal co-ordinator: Mineral Policy Sector Tel: Ottawa (613) 995-8839
ENVIRONMENT CANADA			
Environmental Partners Fund	- to cost-share with local groups (industry, business, citizens, foundations, government) innovative projects that preserve, improve and restore the local physical environment, such as quarry, pit and mine site rehabilitation	- the federal financial contribution can be up to 50% of project costs, to a maximum of $200,000 over three consecutive years.	Regional Offices: Nfld, PEI, NB, NS, Tel: Dartmouth (202) 426-8521 Tel: Quebec (418) 648-4296 Ontario Tel: Toronto (416) 973-7391 Man, Sask Tel: Winnipeg (204) 983-8574 Alta, NWT Tel: Edmonton (403) 468-8934 B.C., Yukon Tel: Vancouver (604) 666-5887
Federal Environmental Assessment Review Office (FEARO)	- to provide Federal government with procedural advice and guidelines - to negotiate provincial and territorial participation in an environmental review	- FEARO administers an intervenor fund program to assist the public to participate in the panel review of a proposal.	Federal Environmental Assessment Review Office Tel: Ottawa (613) 997-1000

FEDERAL GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

2. FINANCIAL ASSISTANCE PROGRAMS/POLICIES

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
(FEARO)	- to administer funds for the Canadian Environmental Assessment Research Council - to provide administrative support as well as other assistance when a review is undertaken by an Environmental Assessment panel.	- Funds are contributed by interested departments	
INDIAN AND NORTHERN AFFAIRS CANADA			
Eskimo Loan Fund	- to assist Inuit business development	- Inuit owned businesses can be granted loans up to $250,000 for periods not exceeding 15 years.	The fund is delivered by the GNWT Department of Economic Development and Tourism but is jointly administered with the Economic Programs Directorate, Indian Affairs. Economic Development Office, GNWT Tel: Yellowknife (403) 920-3349, also, the various regional offices of the GNWT.

FEDERAL GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

2. FINANCIAL ASSISTANCE PROGRAMS/POLICIES (con't)

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Alternative Funding Arrangements (AFA)	- to give Indian bands and tribal councils greater discretion, control and capacity on how government funds may be used for service delivery	- enables Bands/Tribal Councils to priorize their projects, service delivery and administration programs. -enables Bands to consider allocations of funds to any on-reserve mining projects or businesses - enables bands to purchase training/advisory services to take over delivery of government programs, such as geological services.	The program is administered by the Indian Services Sector, Alternative Funding Management Officer Tel: Hull (819) 997-8326
Research and Advocacy	- as a part of CAEDS and the Access to Resources component to assist status Indian and Inuit communities and organizations in providing advice to government on native Economic development policy and legislative changes towards obtaining greater control.	- financial assistance for: - research on amendments to regulations and legislation - developing new or revising existing strategies and policies - participating in advocacy, consultations, mediation and negotiation activities - conducting economic research and analysis	Economic Development Program in the various Regional offices throughout Canada can supply information.

FEDERAL GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

3. TRAINING POLICIES AND PROGRAMS

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
EMPLOYMENT AND IMMIGRATION CANADA			
Canadian Job Strategy (CJS)	- to enable the Canadian labour market to adapt to rapid changes stimulated by technological advancements and shifting product demands	- *Innovations* option provides financial reimbursement for short term employment projects emphasizing cost-sharing. - *Job Entry Option* provides financial assistance for training and work experience for youth unemployed, not in school and lacking post-secondary standing. A similar option is available to youth, *Severely Employment Disadvantaged*. Also, the *Co-operative Education* option, *Challenge Summer Employment Experience Development*, and *Challenge Work Orientation Workshops*, all stimulate the development of career opportunities for students. - *Job Development* option provides financial assistance for training in the workplace or classroom on general projects for 52 weeks. - *Skill Investment* option provides financial assistance in various capacities when layoffs, training, retraining, continuous employment, relocation and travel aid needs or situations arise. - *Skill Shortages* option provides financial assistance to train persons in areas where skill shortages arise, particularly relocation costs.	National Co-ordinator Tel: Ottawa (613) 953-7363 Local Canada Employment Centres (CECs) and Canadian Job Strategy offices throughout Canada can provide further information For information on the Centre in your area, contact the CEC at Tel: Ottawa (613) 990-5100

FEDERAL GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

3. TRAINING POLICIES AND PROGRAMS (con't)

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Canadian Job Strategy (CJS)		- *Community Futures* option provides assistance and financial help to communities with exceptionally high unemployment to expand permanent employment opportunities. - *Industrial Adjustment Services* option assists groups to plan adjustments in the labour force due to changes in the economy, technology and government regulations - *UI Job Creation* option links unemployment insurance claimants with businesses for short term projects and supports this with benefits	
Outreach	- to provide services to particular groups that cannot make adequate use of services offered by Canada Employment Centres (CEC's)	- offers specialized projects sponsored by community and non-profit organizations such as native peoples. - provides funding for new and established projects for those that have difficulty finding and maintaining employment.	See Above
Skills Development	- as a part of Caeds, to augment management, professional, and vocational skills of native persons, including those in establishing, financing or operating businesses	- purchasing management training from various educational institutions - encourages establishment of native management training and advisory service centres	See Above

FEDERAL GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

3. TRAINING POLICIES AND PROGRAMS (con't)

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Skills Development	- aspects of CJS to be tailored to native population needs.	-encourages training for persons with potentially viable business proposals who lack skills and resources to bring these to fruition - where appropriate, establish an advisory structure or review existing one for native benefit.	
Urban Employment	- as a part of CAEDS, to better focus the existing CJS and provincial programs to meet the special training needs of unemployed and underemployed native adults.	- encourage an effective training and placement infrastructure so that natives can access jobs in the mainstream. - partner with provincial and municipal authorities for urban employment gains.	See Above
Research and Advocacy	- as a part of CAEDS, to promote native employment and training through dissemination of information, ideas and representations	- work at removing discriminatory rules and practices - encourages affirmation action programs - explore new approaches for training and employment.	See Above

FEDERAL GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

3. TRAINING POLICIES AND PROGRAMS (con't)

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Working Group on Training in the Mining Industry	- to prepare a training strategy to prepare residents of the NWT for employment in the mining sector	- coordinate business support - preparation of a training strategy to provide training experience for potential employment in the mining sector - promote mining (in schools, etc.)	Interagency committee: Advanced Education Dept. of Education GNWT Tel: Yellowknife (403) 873-7252 Employment and Immigration Canada NWT Tel: Yellowknife (403) 920-8400 Manager, Chamber of Mines, GNWT Tel: Yellowknife (403) 873-5281
INDIAN AND NORTHERN AFFAIRS CANADA			
Indian Studies Support Program (ISSP)	- to support status Indian post-secondary education	- funding is contributed to status Indian education organizations, status Indian post-secondary institutions and other post-secondary institutions for the development and delivery of special programs for Treaty/ Status Indian students.	The various Education Services with Regional offices throughout Canada can supply information.

FEDERAL GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

3. TRAINING POLICIES AND PROGRAMS (con't)

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Post-Secondary Student Support Program (PSSSP)	- to support Treaty/Status Indians and Inuit to access post-secondary education and to graduate with the qualifications and skills needed to pursue individual careers.	- financial assistance is available in the form of allowances for tuition, books and supplies, travel and living expenses - scholarships are available for advanced and professional degrees, strategic studies and academic achievement. - the program is not available to Indians or Inuit who are eligible for support under special arrangements for post-secondary support such as the James Bay and Northern Ontario Agreement or the Northwest Territories Student Financial Assistance Program. - assistance is also available for those students in the University and College Entrance Preparation (UCEP) programs offered by Canadian post-secondary institutions	See above
Indian Community Human Resources Strategy (ICHRS)	- as a part of CAEDS and the Community Economic Planning and Development Component, to supplement the CJS program with literacy, academic and basic skills upgrading, particularly for the young status Indian adult population.	- support for community based learning systems as well as training on the job and mobility assistance - encourage use of entrepreneurial skills development through training, internships and business support services. - use of Community Investment projects for long term retention of individuals in the wage economy.	Economic Development Program Tel: Hull (819) 994-8140 also, the various Regional Economic Development offices throughout Canada can provide information.

FEDERAL GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

3. TRAINING POLICIES AND PROGRAMS (con't)

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Community Economic Services	- as a part of CAEDS, and the Community Economic Planning and Development component, to help build local status Indian and Inuit capacity for managing economic development and putting residents into the business and wage economies.	- funding and advisory assistance to large Indian and Inuit communities and groups of communities to provide planning advisory and extension services for business and economic development. - funding and advisory assistance to status Indian and Inuit controlled organizations to deliver programs augmenting skills and employability services delivered by EIC and INAC.	See above
PUBLIC SERVICE COMMISSION OF CANADA			
The National Indigenous development Program and the Northern Careers Program (NCP)	- to encourage career development and advocate appointing more native people to the federal Public Service throughout Canada - the Northern Careers Program emphasizes career development in the North	- offers on-the-job training to native people for jobs in the federal Public Service (geologist, geological technicians, geoscience) - provision of advice on encouraging representation from local native communities	Aboriginal Peoples Programs, Program Development (Employment Equity) Tel: Ottawa (613) 992-9998

FEDERAL GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

4. LIAISON/MEDIATION, ADVISORY SERVICES

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
SECRETARY OF STATE			
Aboriginal Representative Organizations Program (AROP)	- to provide for political representation, advocacy and negotiation in a variety of socio-economic areas - to facilitate native participation and representation in Canadian institutions	- financial assistance is provided to specific native organizations	Native Citizen's Directorate Tel: Hull (819)994-3835
The Northern Native Broadcast Access Program (NNBAP)	- to support native communication programs that may be considered a vehicle to facilitate native participation in mining through liaison, access to information, media advertising, education and life skills, etc.	- native radio and television programs receive some funding	See Above
EMPLOYMENT AND IMMIGRATION CANADA			
Community Industrial Training Committee (CITC)	- to encourage employers and employees to undertake training in partnership with business, labour and government - to access the Canadian Job Strategy for specific support in collaboration with the Ontario Ministry of Skills Development.	- helps community members access available programs - employees are introduced to programs offering easy access to training - employers are kept informed of programs that offer funds to help them put training plans in place.	Local Canada Employment Centres CJS or CITC offices throughout Canada can provide information. Ontario Ministry of Skills Development Hotline, Zenith 20860

FEDERAL GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

4. LIAISON/MEDIATION, ADVISORY SERVICES (con't)

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Local Advisory Councils (LACS)	- established in 150 communities as advisory boards to local CEC offices and the Minister on resolving local labour market problems	- upon joint consultation and input from local members and officials, provides advice on local community and business employment needs.	Local LAC offices throughout Canada can provide information
Employment Services	- to facilitate career planning	- offers job counselling for clients by testing or a career planning program (CHOICES).	Local CEC and CJS offices throughout Canada can provide information
Employment Equity	- to achieve employment equity for women, native peoples and persons with disabilities and visible minorities.	- under the Federal Contractors Program, successful company bidders on federal contracts must adhere to employment equity guidelines as they apply to mining and/or geological related activities.	See Above
INDIAN AND NORTHERN AFFAIRS CANADA			
Comprehensive Indian Land Claim Settlements	- to provide for certainty and clarity of rights to ownership and use of land and resources - to encourage self-reliance by native peoples and enable them to be full, participating members of the northern economy and society. - to provide native peoples the right to participate in	- Settlements include: - financial compensation - some native land ownership including sub-surface lands - shared representation on land and resource management boards - Natives may decide to use these monies for mining investments, or the lands for mining development	Comprehensive Claims Branch, Northern Affairs Program Tel: Hull (819) 994-4232

FEDERAL GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

4. LIAISON/MEDIATION, ADVISORY SERVICES

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Comprehensive Indian Land Claim Settlements	decision-making concerning the use, management and conservation of land, water and resources. - to protect and conserve the wildlife and environment of the settlement area.		
Resource Access Negotiation			See Consultation Programs section for further information.
Federal-Provincial-Territorial Agreements			See Consultation Programs section for further information.
Community Economic Planning and Development	- as a part of CAEDS, to support community based human resource development activities and economic development institutions for status Indian and Inuit communities to help build local capacity for managing economic development and putting more residents into the business and wage economies	- department staff will help Indian and Inuit economic development institutions improve their service capacity and expertise by promoting training tools, links between corporations, etc. - direct community service will continue for those without service institutions	-Economic Development Program Tel: Hull (819) 994-8140 also, the various Regional Economic Development offices throughout Canada can provide information

FEDERAL GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

4. LIAISON/MEDIATION, ADVISORY SERVICES (con't)

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
The Taxation Advisory Board	- set up to help develop the field of status Indian taxation powers on reserve lands	- examines status Indian taxation matters and holds informal hearings with Indian groups concerning questions of taxation, eg. the incorporation of native businesses, or the royalty versus taxation debate regarding mineral extraction on reserves.	Indian Taxation Secretariat, Economic Development Sector, Tel: Hull (819) 997-1876

FEDERAL GOVERNMENT PROGRAMS/POLICIES FOR NATIVE PARTICIPATION IN MINING

5. OTHER

Program/Policy or Service	Objective	Form of Assistance	Program/Policy Administrator
Canadian Native Programs (CNP)	- to assist native entrepreneurs and groups in developing and starting native businesses, and promote management and economic development in native communities	- links volunteer consultants to native entrepreneurs to provide business advice - assistance includes help with feasibility studies, business planning, business start-up, expansion or improvement	Canadian Executive Service Organization (CESO) Tel: Toronto (416) 387-4428 also, various regional offices throughout Canada can supply information
Federal Business Development Bank (FBDB)	- to assist small and medium-sized businesses in their establishment and development	Various types of financing: - term loans - export receivable financing - venture capital through share purchasing Management services: - counselling assistance to small enterprises - financial planning assistance - business management seminars and courses - information services and publications and group workshops	FBDB branches can be found throughout Canada Tel: 1-800-361-2126
Native Business Internship Program	- to develop and enhance native peoples managerial and entrepreneurial business skills	- provide internship opportunities for native people who may be assigned work placement for up to 52 weeks in a host company who will be reimbursed up to 50% of the salary/benefits paid to the intern.	Canadian Council for Native Business Tel: Toronto (416) 977-0008

Appendix D

"Best" Case Studies
of Native Participation
in Mining

APPENDIX D

"Best" Case Studies of Native Participation in Mining

COLOMAC MINE CASE STUDY

Introduction

The Colomac gold mine is located 220 kilometres north of Yellowknife. Scheduled to commence operations in the second half of 1990, Colomac is located roughly in the centre of the traditional Dogrib Indian tribal lands. Through negotiations, assisted by the territorial and federal governments, the Dogrib Tribal Council (DTC) was able to sign a socio-economic agreement with the mine operator, Neptune Resources (NRC). This agreement will provide the Dogrib people with significant levels of fulltime employment on an on-going basis. As well, the agreement offers the Dogrib people the potential for new business development opportunities in the northern mining sector, heretofore largely untapped by the Dogrib people. It also provides NRC with the foundation for potential growth of a reliable local workforce. The signing of this agreement has brought considerable nation-wide industry and native group attention on the Dogrib people and the mining company.

Historical Perspective

THE MINE PROPERTY

For over 50 years there has been interest, exploration, and mineral development activity at the Colomac minesite, located north of Indin Lake between Steeve's and Baton Lakes (see attached map). Following the discovery of gold in the Indin Lake area in 1938, the claims, on which Colomac is situated, were staked by N.W. Byrne for Goldcrest Mines Ltd. and independently by Messrs. McLeod and Coleman in 1945.

The Colomac property lay idle until 1968, when some trenching was undertaken. Cominco optioned the property in 1974 and completed nearly 10,000 feet of drilling. In 1980, Newmont Mines Ltd. conducted further metallurgical testing of samples from the 1974 drilling exercise. These tests confirmed that good recoveries could be obtained by conventional cyanidation techniques.

In 1986 NRC optioned the property from Johnsby Mines Ltd. NRC is the present project operator.

THE LOCAL PEOPLE

Historically, the Dogrib people have had little exposure to mining employment prior to the announcement of the Colomac mine project. The mine is located within air commuting distance of most of the Dogrib communities; Fort Rae, Edzo, Snare Lakes, Rae Lakes, Lac La Martre, Dettah Village and Yellowknife Lot 500. Up to this point, limited numbers of contracts with resource development companies were entered into by the Dogrib people from these communities for such things as line clearing and assorted short term programs related to mineral exploration.

Physical Description of the Minesite

The mine is located between two lakes, roughly 220 kilometres north of Yellowknife (see attached map). At present ore reserves in excess of 26.7 million tons, grading at .055 ounces of gold per ton, have been identified. Since the ore is near the surface and low grade, Colomac will be an open pit operation. Full production, scheduled for the fourth quarter of 1990, will see the mine and mill processing 10,000 tons of ore per day to produce an annual output of 200,000 ounces of gold. At this production rate, the projected mine life is in excess of eight years. Once operational, Colomac will have the largest gold mill in Canada and will have cost roughly $165 million in capital plus $25 to $30 million per year in consumables to bring on stream. Colomac is scheduled to have a workforce of some 300 people on a two week rotational fly-in/fly-out cycle.

Company Structure

Initially Colomac was wholly owned by Vancouver-based Neptune Resources Corp. (NRC). Due to financial difficulties coupled with the failure to obtain a government loan guarantee during the planning and development phases of the project, Northgate Exploration and a partner, NorthWest Gold Corp. (formerly ABM Gold) took over the ownership and management of the project. The mine is presently operated by NRC as a subsidiary of NorthWest Gold Ltd. (Vancouver). NRC has established a small office in Yellowknife, however the majority of its functional responsibilities are based at the mine site. The company is linked directly with Yellowknife through a non-toll telephone system.

Neptune Resources Corporation Participation

Late 1986 saw the initial contact made by NRC with the Dogrib people. Early 1987 ushered in a series of visits by the company with the local people, the DTC and its representatives in the communities of Rae and Yellowknife. These meetings were undertaken to outline the proposed plans for the mine operation and to commence discussions and negotiations of a socio-economic agreement between the DTC and NRC. In keeping with their original premise, that it would be mutually beneficial to have substantial involvement of the local people in the eventual operation of Colomac, early indications were given to the local people that the company intended to employ as many of them as possible.

The company's attitude from the outset was one of openness and receptiveness to the concerns of the local people. Both the mining company and the local people stood to benefit from the successful negotiation of an agreement between the DTC and NRC.

NRC was involved throughout the development of the draft agreement and maintained contact with timely community visits and updates on the status of all aspects of the development of the mine.

Government Involvement

MINE OPERATION LICENCING

The principle operating permit for any mine in the Northwest Territories (NWT), upon which its right to operate is contingent, is the water licence. The NWT Water Board (NWTWB), reporting directly to the Minister of Indian and Northern Affairs Canada (INAC), has the responsibility for reviewing all new and operating non-renewable resource development projects. Prior to granting newor extending existing water licences, the (NWTWB) may hold

a public hearing in one or more communities that may be potentially affected by the operation of the project.

The NWTWB and its Technical Advisory Committee (TAC) reviewed the company's submissions and subsequently convened a public hearing in the community of Rae. The hearing was held on June 14, 1989, and following a detailed presentation by the proponent, few substantial concerns were expressed by the interveners. Subsequently, two water licences were granted to NRC, the first to cover the dewatering of the tailings area and the second for the operation of the mine itself.

NRC's mine lease for Colomac was granted without undue delay, since the company was developing mineral claims that had been registered for a long time. As such, it was therefore excluded from the application of any special considerations that might affect them as a result of the settlement of native land claims.

SOCIO-ECONOMIC CONCERNS

Initially federal funding and administrative support was made available by the local INAC office to allow the DTC to hire a consultant to prepare their position for negotiations of an agreement between the company and the DTC. The Government of the Northwest Territories (GNWT) made available the services of an experienced facilitator and respected negotiator to get a draft agreement in place at the earliest possible date.

Recognizing the potential for local employment, the GNWT and Federal Government brought into place a training program in cooperation with the mine's principle contractor, PCL Constructors Northern Ltd. (PCL). The program was run as a pilot project, in a cooperative approach for the provision of training to bring local people into entry level open pit mine operation positions.

Program funding, in the order of $600,000.00, was shared by the Territorial and Federal governments and PCL. Nine modular training programs of 16 to 20 weeks duration were developed for occupational skills that would equip local people with saleable skills, for the operational start-up of the mine. Training in life-skills for the local people and cross-cultural training for the southern-based workers at Colomac was also envisaged. The occupational skills segment of the training program was administered at the working supervisory level by PCL foremen and superintendents. The training commenced in mid-1989 during the construction phase of the project. Expectedly, interruptions to these training programs were experienced during the final stages of the highly technical mechanical assembly phase. Despite these minor setbacks, the training program was a success in beginning to develop a source of trained local people who would be available for the operational stage of the mining operation. As the construction stage came to a close, provisions were made to continue this program with the mine operator, Neptune Resources.

Several months prior to PCL's final turnover of the mine to NRC, pre-production mining was begun in order to develop a stockpile of ore to be used in the mine commissioning phase. The pre-production mining operation was utilized as a training program, initially for which some twenty Dogrib people were hired as trainees. Additional training program funds were negotiated by Neptune with the Territorial and Federal Governments to cover this larger number of heavy equipment training positions. This program has met with success, as presently the majority of the pre-production mining employees are local people.

Dogrib Participation

Prior to the appearance of NRC, the DTC had undertaken to form Ghost Lake Resources, a company with one of its objectives being to have the Dogrib people participate in the mining field. Primary funding for this company came from the DTC and Rae Edzo Dene Band Development Corporation Ltd., with added financial assistance from the business sector. Indirectly, this earlier interface with the mining sector had a positive effect on the attitude of the Dogrib people towards the mining industry. They were very receptive to the idea of being involved in a mining operation at the time NRC made its first presentations in Rae Edzo.

The DTC, through its local facilitator and their consultant, were able to prepare their position and assist company and government representatives with the development a draft agreement which provided substantial employment and business opportunities.

The main provisions of the agreement provide for the company to use its best efforts to hire a minimum of 25% of the mine's workforce from the Dogrib communities and the establishment of three joint company management/Dogrib committees to oversee such things as employment and training, business opportunities and overall monitoring of the agreement. A Native Employment Counsellor and a Liaison Officer have also been hired as a result of this agreement.

The agreement was signed in Rae, between the DTC and NRC, on June 18, 1989. The agreement specified that the "Council and Neptune agree that the purpose of the Agreement is to ensure that to the greatest degree reasonably practicable, all training, employment, business and other entrepreneurial opportunities arising from the Operations shall be made available to the Residents and Local Businesses, this being in the best interests of both the Council and Neptune." The agreement further specified that "Neptune covenants to the Council to ..... use its best efforts to ensure that a minimum of 25% of all personnel engaged in the Operations are Residents and by (Neptune's) contractors and sub-contractors (they) will be limited only by the capacity of the labour force consisting of Residents to accommodate the employment requirements".

Even before the start-up of full scale mining operations NRC is meeting its obligations in the agreement with nearly 25% of the employees presently on site being residents of Dogrib communities.

Provisions in the agreement are also made for the establishment of three small joint Dogrib and management committees (2 Dogrib & 2 NRC representatives on each) covering employment and training, business opportunities and over-all operations review (of the agreement). To date the first two of the committees have met, with the over-all monitoring committee to begin at the outset of full scale mining operations.

Two locally appointed positions were also established by the agreement; a Liaison Officer, based in Rae, initially to facilitate referral of local people to the mine and later to provide liaison with local business and a Native Employment Coordinator, located at the minesite to facilitate an easier transition of new native employees. The Liaison Officer has been appointed for some time and was instrumental in facilitating the signing of the agreement between the DTC and NRC. The Native Employment Coordinator has been hired recently and has begun to successfully fulfill the role of smoothing the way for new native recruits. All costs associated with these provisions are the responsibility of NRC.

At the NWTWB public hearing, held at the Court House in the community of Rae on the June 14, 1989, a further opportunity existed for the DTC and the Dogrib people, as individuals, to express their concerns regarding the Colomac mine project. On the same date as the Water Board's public hearing in Rae, the DTC had convened a regional chiefs meeting in another community. This absence of any sizeable official representative body from the DTC was tantamount to absentee approval by the Dogrib people. As a result, and in an indirect manner, the DTC was giving approval to the Colomac project on behalf of the Dogrib people.

Benefits

1. The foundations for a local and stable, native/northerner workforce at the Colomac mine for Neptune Resources.

2. The construction and operation of the mine has created the potential for the largest single package of continuing full time jobs for the Dogrib people.

3. The inclusion of the Dogrib people in the initial human resource plans for the mine have afforded the local people a major opportunity to be introduced to the wage economy.

Costs

1. The introduction of a significant number of people to the responsibilities and scheduling that the wage economy demands, brings with it the possibility of some disruption to the traditional ways of life for a particular group of Northern native people.

2. The need for extensive life-skills training for the family members of employees and community council members as a result of new and unfamiliar demands created by their introduction to the regimentation of the wage economy life style.

3. The requirement for the mining company personnel recruited from the south to recognize the substantial cultural differences between themselves and the local people and the need for cross-cultural training for all southern workers.

4. The extra turnover created as a result of individuals who are unable to accommodate the mix of the two cultures.

Precedents

1. The open minded attitude of both the company and the local people to the introduction of the mine.

2. The fact that government had no leverage with the company at the time of the initial discussions respecting mandatory negotiations with the local native people, allowed for the negotiations to be conducted in a non-adversarial manner.

3. The signing of the socio-economic agreement between the DTC and Neptune Resources prior to the start-up of mining operations.

Critical Success Factors

1. The Dogrib people being receptive to the idea of involvement in the mining sector, due to their earlier experience with their own company, Ghost Lake Resources.

2. The open pit nature of the mine lent itself to the immediate introduction of a significantly larger local workforce than would have been the case if the mine were an underground operation. For example, large numbers of heavy equipment operators and equipment maintenance positions were required from the outset of construction and the early start of pre-production mining.

3. The fact that government had no regulatory or legislative leverage with the mining company tended to negate any adversarial problems often associated when these provisions are in place. Rapport between government and company representatives was, as a result, more facilitative.

4. The fact that Neptune Resources and its successor parent companies, NorthWest Gold and Northgate Exploration, were strongly committed to the employment of local people from the start of their contact with the Dogrib communities has stood them in good stead with offering long term employment with somewhat lower wages (than during the construction phase) with a significant benefit package. NRC has thus been able to convince the local people of the advantages of continued long term employment with accrued benefits versus the higher wages that were initially offered on a short-term basis during the construction phase of the mine.

5. The early attempts by NRC to recognize and respect some northern cultural nuances through such things as:

   - the exchange of gifts at meetings,

   - not adopting of a "take it or leave it" attitude with the native people, and

   - the invitation of member of the DTC to join in industry sponsored tours of other mines.

6. The initial financial support given by the local Indian & Inuit Affairs office of INAC to the DTC for the negotiations of an agreement between the mining company and themselves agreement and the hiring of consultants to assist in the process.

7. The GNWT making available the services of an experienced facilitator and respected negotiator expedited the process of agreement negotiation and preparation.

8. The "new ground" broken with the DTC through Neptunes Resources preemptive negotiating position indicating a sincere willingness to involve the Dogrib people in a meaningful discussions regarding employment and business opportunities generated by the mine.

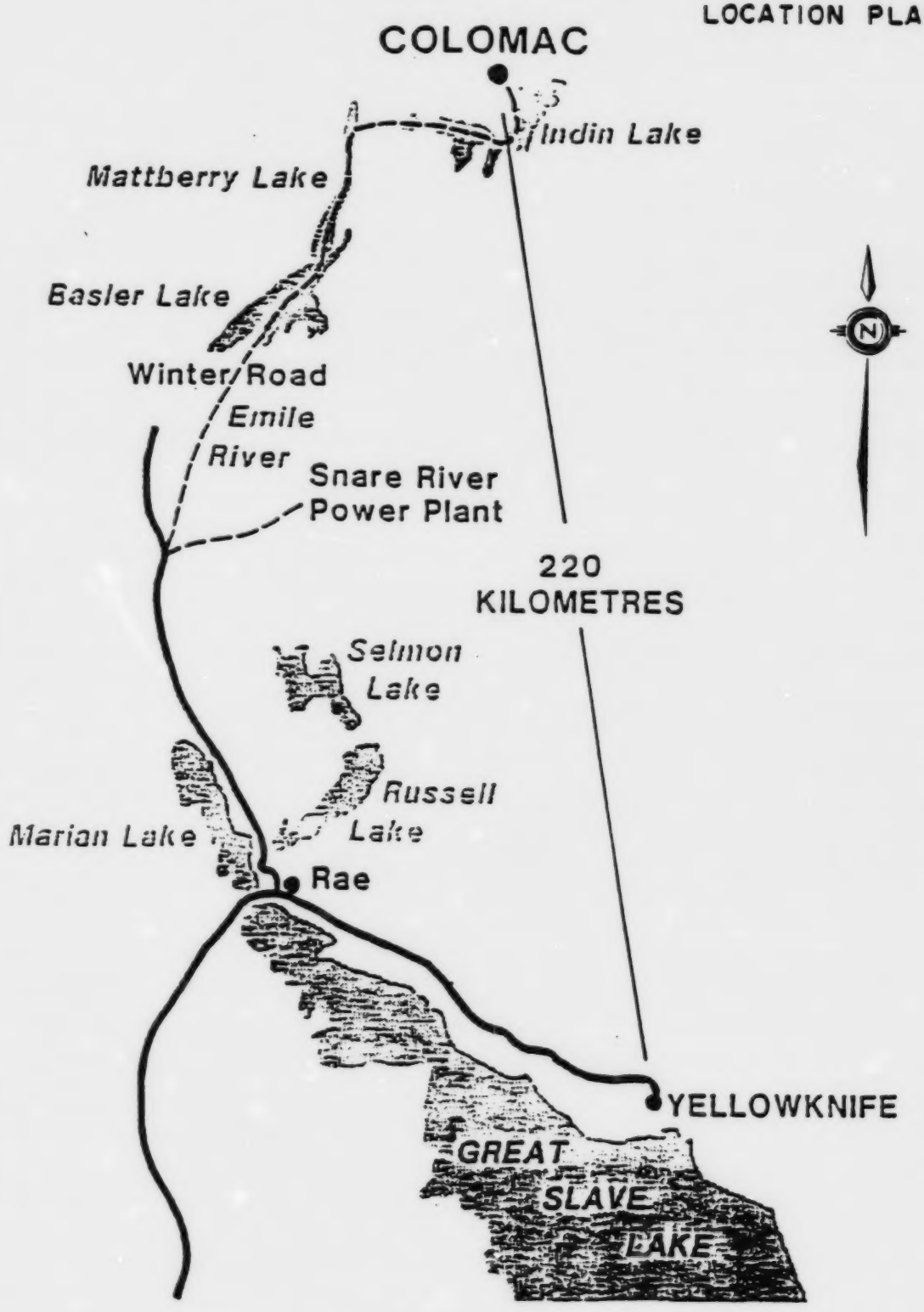
9. The fact that the Liaison Officer has been able to meet and work closely with NRC's senior management team based in Yellowknife and at the minesite, and with the DTC has made this a good and worthwhile appointment. This position has been able to bridge the needs of both the DTC and NRC.

10. The small size of the three committees established by the agreement has proved to be much more effective than could be envisaged for committees of larger membership.

Consultation

Representatives of the Dogrib people, the mining company (NRC), the Federal Government and the GNWT have contributed to the text and reviewed the document. The Department Energy, Mines and Petroleum Resources is responsible for the collation of the information and the compilation of the document.

LOCATION PLAN



NEPTUNE

NANISIVIK MINE CASE STUDY

Introduction

Nanisivik is located on the south shore of Strathcona Sound on the northern extremity of Baffin Island in the Northwest Territories (NWT) 27 kilometres east of the community of Arctic Bay. The name applies to both the mine and the townsite built to accommodate the mine's employees. Nanisivik is located in the traditional hunting and gathering area the Inuit people of the Arctic Bay area have been using for several centuries. Attention has been focused on this area as an example of high native employment in the mineral industry.

Historical Perspective

THE MINE PROPERTY AND COMPANY

Interest in the area stems from the finding of galena, sphalerite and other sulphides by A. English. English had accompanied a Dominion Government of Canada Expedition to the Arctic Islands, under Captain E. J. Bernier, which over-wintered in Arctic Bay in 1910-11. In 1937, four claims were staked in the area by prospectors J. Tibbet and F. McGinnes but they were allowed to lapse. No further work was done until 1954 when R.G. Blackadar visited the area and published a description of the area's extensive pyrite zone in 1956. 1957 saw Texas Gulf Sulfur Company (TGS) stake 15 claims in the area. Between 1958 and 1969, TGS conducted extensive work in the area, including diamond drilling, bulk sampling, geophysical surveying and additional claim staking. In 1970, TGS began negotiations with the Department of Indian and Northern Affairs (DIAND) to obtain a mineral export permit as a precurser to developing the property. These negotiations proved to be unsuccessful, largely due to the fact that TGS and DIAND could not agree on provisions for northern native employment. TGS also had difficulties in fitting the very short northern shipping season into their operational plans.

In 1972, Mineral Resources International (MRI) acquired an option on the property from TGS. A drilling program and geophysical surveys in 1972 & 1973, along with a feasibility study by MRI's consultant, Watts, Griffiths and McQuat (WGM), led to the acceptance of a recommendation for production at the site.

As a result of the WGM feasibility study and other available information, it was determined that the mine would be economic if it had been located in southern Canada or if the project was a single status accommodation operation with a shorter mine life in the north. Demonstration of project economic feasibility was a prerequisite to any form of government assistance. Given the higher costs of operating due to its northern location, extended life and full townsite requirements (as requested by the federal government), Nanisivik would be uneconomic without government assistance for infrastructure, i.e. townsite, wharf, airport, and roads. In the early 1970's the Federal Government's new northern policy encouraged development, favoured long duration projects and the establishment of self-governing communities. Having demonstrated the project's economic feasibility, MRI's request for infrastructure assistance was made in keeping with the new federal northern development policy.

En route to the property for the first time in August 1972, Graham Farquharson, President of Nanisivik Mines Ltd. (NML) and Jim Marshall, Nanisivik Project Manager initiated contact with the Baffin region in a visit with Mike Moore, Government of the Northwest Territories (GNWT) Assistant Regional Director in Iqaluit. Following this, WGM visited Arctic Bay

briefly in 1972 and, in 1973 MRI and WGM met with the Arctic Bay Settlement Council at least two times to discuss the project. By early 1975, as announced in a GNWT press release, there had been "..... a total of 26 meetings in Arctic Bay on this project". Early communications from the Settlement Council indicate that there was general support for the project.

It is worthy of note that early in the deliberations, two important changes were made to MRI's plans for the project. Construction of a townsite, rather than a bunkhouse operation and the extension of the life of the mine from 8 to initially 15 years (12 years was the final figure agreed to and recorded in the terms of the 1974 agreement) had a positive effect on the Federal Government's attitude towards support for the project. The Federal Government felt that extending the life of the mine would allow for the development of a broader spectrum of benefits from the mine for the local residents.

In March, 1974 federal Cabinet approval was given for support for the project. On June 18, 1974 a master agreement was signed between MRI and the Federal Government, establishing the mine and providing financial assistance to MRI. MRI was to manage the mine through (NML). Initial grants and loans to NML of some $16.7 million were made by the Federal Government and the GNWT. This money was to be used to cover the costs of construction of roads, an airport, wharf facilities and the townsite.
For the provision of financial support for the project the Federal Government in-turn, obtained agreement for the following provisions between the Federal Government and MRI:

- the establishment of a joint company/government/native monitoring committee, established to oversee the provisions of the agreement,
- provision for two federal appointees on the Board of Directors of NML,
- a target of 60% native content in the mine's workforce by year 3 of the mine's operating life,
- training program commitments,
- the potential for all parties to gain experience in northern development and transportation and contribute to the general body of knowledge of Arctic ice shipping, and
- an 18% equity in the mine.

THE LOCAL PEOPLE

The communities of the north Baffin region which come under the greatest influence of the existence of the Nanisivik mine operation are; Arctic Bay, Pond Inlet, Igloolik, Clyde River and Pangnirtung. These communities supply the major portion of the native workforce for NML.

The closest of these communities is Arctic Bay which is located in a protected south-facing bay, some 27 kilometres west of the mine-site. This area has had continuous waves of Inuit inhabitation for approximately 4000 years. The present inhabitants are direct descendents of the Thule culture, the last wave of in-migration which occurred some 800 to 1000 yearsago. Until the 1950's, the people in the Arctic Bay area were largely nomadic and moved into the settlement of Arctic Bay at the request of the Federal Government.

Prior to the introduction of the wage economy and work demands of the mine, the primary contact for wage employment has been through high Arctic oil and gas exploration activities. The last company to offer this type of employment was Panarctic Oil which utilized a 2 week-on/2 week-off rotational cycle of work. Panarctic ceased its operations in 1987.

Physical Description of the Minesite

The mine is situated at the north end of Baffin Island on the south side of Strathcona Sound, a deep water fiord off Admiralty Inlet, on the Borden Peninsula. The mine is roughly 700 kilometres north of the Arctic Circle. Nanisivik is an underground base metal operation, located 300 metres above sea level. The ore body is situated in a hill, in near horizontal beds, 20 metres high, 100 to 200 metres wide and extending for 3 kilometres. The ore grades at 8 to 20% zinc and 2 to 3% lead. The primary product is zinc with small amounts of lead and by-products of silver and cadmium. The ore is concentrated year-round on site and stored in a large near-shore, covered facility for the summer shipping season. At this time, the ore is shipped from May to November to European markets for final smelting. Annual through-put of ore runs between six and seven hundred thousand tonnes, resulting in the recoveries of approximately 100,000 to 125,000 tonnes of lead and zinc concentrates. NML is forecasting 1990 ore reserves of 3.0 million tonnes of 8.5% zinc and a projected mine life into the mid-1990's.

The mine staff are housed in various types of accommodation at the minesite in what amounts to a mini-townsite. The total staff of the mine is in the order of 200. The mine operates on a rotational work cycle of 13 weeks on and 3 weeks off. The mine is a non-union shop. Native people, with the exception of Arctic Bay residents who commute to the minesite on a daily basis, are eligible for a two week non-paid break in the middle of the 13 week work cycle for the pursuit of their traditional lifestyle in their home communities. NML pays for the return air transportation for this mid-cycle break.

Company Structure

As a result of the June 18, 1974 agreement, signed between the Federal Government and MRI, the mine came into being with NML as the mine operator. Initially the mine was owned by a group of companies as follows:

- Mineral Resources International	59.5%
- Government of Canada	18%
- Metallgesellschaft Canada	11.25%
- Billiton	11.25%

MRI acquired TGS's interest in Nanisivik through a 6% equity transfer to TGS, thus reducing its own interest to 53.5%. The royalty, paid to TGS by MRI, was a condition of the original option on the property in 1972.

Consolidation has occurred over the 16 years of the NML's existence. In 1986 MRI purchased the 18% federal interest resulting in MRI having 100% equity in NML. 1988 saw the final repayment of all monies owing under the terms of the 1974 agreement.
The mine came into production in mid-1976, after approximately two years of construction. Since then NML, with minor local and on-site setbacks and major fluctuations in international base metal markets, has been producing continuously and profitably. It has established for itself an international reputation as a reliable supplier of metal concentrates.

Inuit Participation

Other than frequent community consultation visits, there was no Inuit participation in the formation of the 1974 agreement. It was negotiated between government and the mining company in response to MRI's request for Federal Government financial assistance for

infrastructure development. From the time that MRI became involved until mid-June 1975, the company along with the Territorial and/or the Federal representatives met with the local people of Arctic Bay at least 25 times. Although they did not oppose the project, in the early days of the project the people of Arctic Bay did complain about lack of consultation.

Arctic Bay had concerns about the importation of southern problems resulting from commuting to and from the minesite on a daily basis. Subsequently, Arctic Bay has established an Alcohol Control Zone within the community and an area surrounding the community, within which alcohol is imported only with the approval of a local committee.

As a further example of Inuit participation, during the period that the Government of Canada held an 18% equity on NML, one of the two federal appointees on the Board of Directors was an Inuk from Arctic Bay.

NML Participation

The 1974 agreement contained a provision that would target 60% of the mine workforce to be made up from the local native population. The derivation of this 60% figure appears to have emanated from a 1973 presentation by MRI's consultant (WGM) for government assistance for the project, wherein WGM stated,

" . . . it is our hope we will eventually be able to have as many as 100 permanent Eskimo employees on staff at Strathcona Sound, or approximately 50% of the total workforce.

Large numbers of other Eskimo would gain employment in various service industries that would be required if a full mining community was established at Strathcona Sound . . . " Throughout the operation of the mine, native employment has been consistently maintained between 21% and 27% of the total Nanisivik workforce on an annual basis. Turnover of native employees averages 100% per year and is roughly two and a half times that of southern hires.

In the early 1980's it became generally accepted by all concerned parties that a 60% participation rate for native people was unrealistic and unattainable at a reasonable cost to the mine. There are, to this day, insufficient numbers of professionally trained Inuit to significantly raise this number. To bring about a significant increase in the numbers of Inuit in the workforce, the economics of the project would need to be substantially adjusted to allow for a large increase in the company's training budget. In the long term, encouragement to young Inuit to remain in school and pursue a university, mine-oriented career is seen as a partial solution.

NML has undertaken a large number of specific initiatives to foster better working relationships with its Inuit employees, to better ensure their safety, to ensure a ready supply of local skilled people and to enhance the mine as a good place to work. Examples of these provisions are as follows:

- Translation of signs at the minesite and townsite into Inuktitut.

- Development of a system whereby natives with interrupted work periods are not penalized. This procedure ensures that the talent pool of local people is kept current.

- Extensive training and apprenticeship programs for the local people.

- Bonuses are paid when good metal prices are experienced. These bonuses have been partially linked to length of service. The program has had a beneficial effect; as of

1988 three Inuit had more than 10 years of service and 29 had more than five years of service.

As of November 1989, NML had employed 670 northern residents for an average of 51 per year. The company has stated that it accepts higher turnover amongst northern residents as being consistent with the project's objectives.

The company has complied with the intent of the of the 1974 agreement, "...to employ 12 apprentices..", through parallel trades training programs. This has been accomplished by employing six apprentices and six trades helpers at a time, who lack the academic qualifications for the formal NWT apprenticeship program. For this effort NML has been honoured by the NWT Apprenticeship Program. The company has a full time training coordinator.

The supervisory and technical workforce of Nanisivik make up 35 of the 200 or 17% of the total. At present only 13 of these technical/supervisory positions are staffed by persons with any form of post-secondary education certification. The result is that 94% of all positions are available to persons with a high school diploma. MRI is of the opinion that the main constraints to increased Inuit participation are social and cultural and not educational.

As an illustration of the diversity of occupational areas filled by native people, the period of December, 1986, is used as an example as follows:

Mine Trainee, Trades Trainee, Millright Apprentice, Electrical Apprentice, Welder Apprentice, Electricians Helper, Maintenance Trainee, Technical Assistant, Miner, Carpenter, Heavy Equipment Operator, Industrial Mechanic, Mill Operator, Labourer, Accommodations Attendant, Day Care Attendant, Kitchen Attendant, Warehouse Attendant, and Day Care Worker.

NML provides $2000.00 scholarships to Baffin residents for post secondary education, particularly in vocations that will lead to economic development in the region. Although participation has been sparse, there has been a recent increase in applicants.

NML has attempted cross-cultural training for mine staff, particularly management. The company states that this has generally been unsuccessful, but NML has recently begun providing free copies of a periodical "Isumasi" published by the Inuit Cultural Institute of Canada to all residents of Nanisivik. This publication is designed to educate readers about Inuit culture.

The company regularly meets with Arctic Bay people and in 1989, informed the Councils of Arctic Bay, Pond Inlet and Igloolik about its exploration plans for the coming year. NML has started a program of offering cash payments to local residents for submission of interesting rock samples. However none have been received.

NML runs a day-care facility for children of all employees, including Inuit employees, a swimming pool and a gymnasium are also provided by NML. The retail store, school, library, and a RCMP Detachment Office are provided by GNWT and are housed in buildingsowned by the government. The company subsidizes the cost of food brought in by air for its workers. NML has also contributed to a large recreational facility in Arctic Bay.

As a result of further mineral exploration, NML has been able to increase ore reserves with the mine life now being projected into the mid-1990's. Because of this, construction of a

new $2.0 million accommodation building for single status employees has been completed, engineering studies for additional storage space for mill tailings were undertaken along with the purchase of additional underground trucks for expanded mine haulage. The outlook stemming from this expansion is for NML to be able to continue to offer the North Baffin Region residents employment for an extended period.

Government Involvement

The Strathcona Sound Monitoring Committee (SSMC) came into existence in 1974 and was formed as stipulated in the 1974 agreement. Membership is comprised of representatives of the Federal Government, the GNWT, NML and the local people. SSMC acts as a forum for any of the members to air concerns and is a monitoring agency for the performance of the agreement.

SSMC is an active and responsive committee. Examples of the type of cooperation and communication that have evolved over the life of the committee illustrate the usefulness of this type of a forum, as listed below:

- In 1986 a problem arose which resulted in a local resident losing a snowmobile through a ship track in the ice. The problem was addressed at the SSMC which initially resulted in Canarctic Shipping Company Limited (CASCL) compensating the individual on an ex gratia basis for his loss. A further outcome of this issue was that consultation, through the SSMC, on the best and least damaging shipping routes to be utilized by CASCL has been carried out on an annual basis since 1986. CASCL now conducts pre-shipping season consultation visits to the communities to determine the least damaging route for that year. A local community member is now on board ship during the season of ore shipping to monitor the adherence to the agreed upon route.

- Job sharing was proposed in 1988 and the SSMC investigated it as a method of increasing native employment levels and determined that it was unsuitable. Alternatively, NML maintains a minimum workforce of permanent employees and supplements work requirements for labourer, janitor and heavy equipment operator positions, with temporary employees from Arctic Bay.

- Recently (1989), alcohol importation problems with Arctic Bay have been brought to the attention of the NML through the SSMC, resulting in a commitment by NML to increase efforts to inform employees that it is illegal to transport alcohol to Arctic Bay.

Benefits

1. An annual injection of more than $1.0 million in disposable income to SSMC employees who reside in the North Baffin Region.

2. The creation of a local, potentially reliable, relatively stable and less costly segment of the workforce for NML.

3. Reduction in GNWT social assistance payments to the local people.

4. The generation of mining royalties for the Federal Government.

5. The gradual introduction of the local people into the rigours and demands of the wage economy.

6. The location of the mine contributed to better, cheaper and more expedient transportation systems for people, goods and services and voice communications.

7. Advances in northern ice shipping technology.

8. Early BRIA studies (circa 1980) indicated that the traditional sources of livelihood were not harmed, thus the ability of natives to earn money was enhanced while at the same time they could continue their traditional lifestyle.

9. Inuit extended family groups have been able to maintain, subsidize and continue their traditional lifestyle as a result of opportunities presented to these family members for work at the mine.

10. Canarctic Shipping has provided low sea-lift freight rates for the residents of the North Baffin.

Costs

1. The increase in the incidence of socially related problems associated with greater amounts of disposable income and greater exposure to southern lifestyles (i.e. alcohol). Special note should be made of the fact that the 1980 BRIA Study indicates that except for "marital adjustments" and the "socialization of children" there was ". . . no consistent creditable evidences of increases in these . . . social indicators during the years of mine employment"

2. NML experiencing increased recruitment and retention costs due to higher turnover, more frequent flights to North Baffin communities as a result of shorter work rotation cycles for native workers and greater expense of training for native people.

3. The introduction of a significant numbers of local native people to the responsibilities and demands attendant with the wage economy, offers the potential for considerable disruption to the traditional and cultural ways of the indigenous people.

4. Potential ice disturbance by ore ships in Admiralty Inlet affecting the seasonal ice break-up patterns and Inuit access to the flow edge for domestic resource harvesting purposes.

Precedents

1. The establishment of the SSMC as an overall quadripartite monitoring committee for the operations of the mine and the stewardship of the agreement.

2. The inclusion of an Inuk on the Board of Directors of NML by the Federal Government until 1986, at which time MRI had bought out the 18% Federal Government share in NML.

3. Frequent meetings between NML and the Hamlet Council.

Critical Success Factors

1. Prior to and during the construction and start-up phases of Nanisivik, the Federal and Territorial governments had considerable leverage with NML through their contributions of substantial funds for the establishment of Nanisivik.

2. The relative close proximity of the minesite to at least one native community as a potential source for native employees.

3. The financial involvement of both the Federal Government and the GNWT from the outset was critical to the successful start-up of the operation.

4. The non-union shop aspect of the mine allows for greater flexibility in job structuring and thus allows for greater numbers of "tailored" jobs for native people.

5. The establishment of the quadripartite SSMC

6. The willingness of the Hamlet Council of Arctic Bay to raise potential problems with the SSMC.

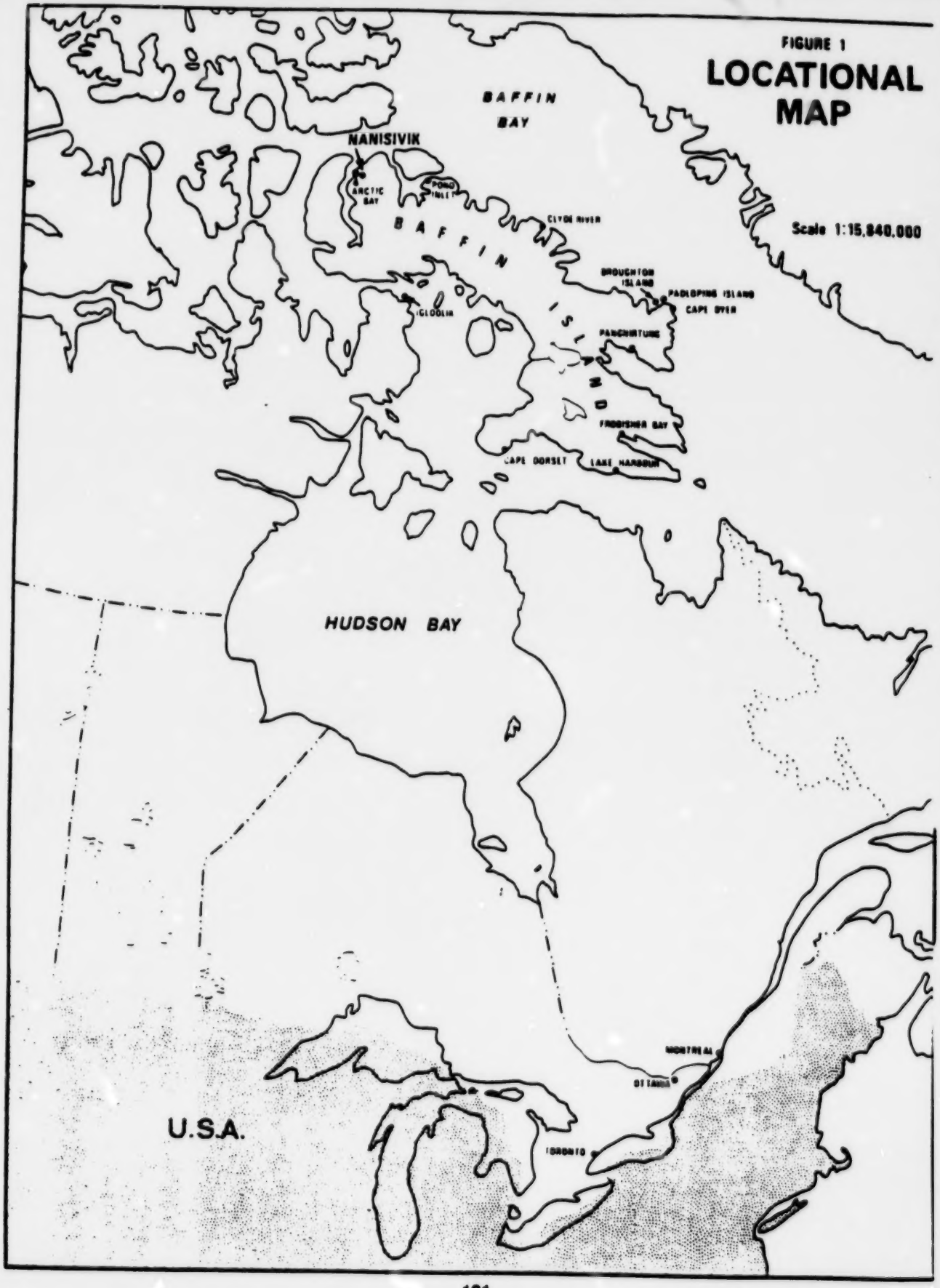
7. Although turnover has been high amongst native employees, NML has managed, through a far-sighted approach to keep firings and lay-offs to a minimum.

Consultation

Representatives of the local people of the North Baffin Region, the mining company (NML), the Federal Government and the GNWT have contributed to the text and reviewed the document. The Department Energy, Mines and Petroleum Resources is responsible for the collation of the information and the compilation of the document.

FIGURE 1

LOCATIONAL MAP



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DONA LAKE CASE STUDY

Description of the Mine

The Dona Lake gold mine and mill complex is located approximately 24 km southeast of the town of Pickle Lake, in the Patricia mining division of Kenora District, and 14 km north of the Indian Reserve of Osnaburgh, in Northwestern Ontario (Map 1). The deposit was discovered in 1984, by Dome Exploration Canada Limited which was subsequently taken over by Placer Dome Inc. who holds a 100% ownership of the mine. In the summer of 1984, the company built an all weather road to expand on exploration activities. In 1987, construction of the mine site began. Production, which started on January 17, 1989, reached full capacity in mid-1989, at an annual rate of 40,000 ounces. The first bar of gold was poured on February 14, 1989.

Published proven/probable and possible reserves indicate 1.5 million tonnes of ore; the mine is therefore expected to produce at the above rate for 10 years. Extraction of ore takes place from an underground cut and fill operation, with a cyanidation and carbon-in-pulp mill which processes 550 tonnes of ore per day. The total estimated cost of the operation to production is approximately $ 43 million (Northern Miner Magazine, September 1988). The production cost of the ore is estimated at US $ 250 per ounce.

No town/permanent accommodation was developed at the mine site, and all 119 workers live in existing neighbouring communities such as Pickle Lake and Osnaburgh.

Native People Profile

DEMOGRAPHICS

The Indian Band of Osnaburgh, with an estimated population of 891 people (at December 31, 1987), is affiliated with the Windigo Tribal Council (WTC), under the political umbrella of the Nishnawbe-Aski Nation (NAN). NAN represents all native groups who reside within the Ontario boundaries of Treaty # 9, signed in 1905-1906. Although initially two Reserves (63 A & 63 B) were delineated on the north and south shores of Lake St. Joseph, the band members live on the reserve located on the north shore of the lake, just off Highway 599, which is approximately 315 km from Thunder Bay, 35 km south of Pickle Lake, and only 14 km south of the Dona Lake mine site. The total surface area of the two reserves is approximately 18,696.4 hectares.

Of the 891 people, comprising 430 male and 461 female, 699 liv on-Reserve, 184 off-Reserve and 8 on Crown Land. Of the 699 people living on-Reserve, approximately 52% are younger than 19, and only 6% are older than 65. The language of the Band is Ojibway.

COMMUNITY SERVICES

The Reserve is supplied with electricity from Ontario Hydro, telephone services from Bell Canada, mail from Canada Post, and radio and television services through CBC, a community radio station, and satellite stations. An Anglican, a Mennonite, and a Pentecostal church operate on site.

Fire protection is not available on the Reserve, police protection is through the OPP in Pickle Lake Detachment with one Band constable on-Reserve, medical facilities consist of a 2-bed nursing station with the closest hospital in Sioux Lookout, some 170 km away,

running water is not available and the water is either hauled from the lake, or community and school wells. Garbage disposal takes place at a dump-site on-Reserve.

The Federal Government provides on-Reserve schooling up to grade 8; continued education can only be obtained in Sioux Lookout or Thunder Bay.

TRADITIONAL ECONOMY

Trapping: 124 trappers operate on 38 registered traplines in th Pickle Lake, Savant Lake and Osnaburgh areas.

Fishing: Ten commercial fishing licences are held for both sturgeon and scale fish. The Osnaburgh Fisheries is a successful business.

Forestry: The Osnaburgh Sawmill custom cuts lumber for exploration and mining companies, as well as for local consumption. Timber harvesting companies such as Great Lakes have also provided limited business and employment for the community. Black spruce and some mixed stands provide fuelwood to the Band members.

Wild Rice: By far the most significant sector of Osnaburgh's Traditional Economy, is wild rice harvesting which takes place over numerous stands. The quality of the crop is exceptionally good, which allows a better rate of recovery than some of the other stands. However, yearly rates of production fluctuate considerably.

COMMERCIAL ECONOMY

The Band operates a Co-Op store, alongside the Albany Free Trader store, which is adjacent to the Reserve land.

HISTORICAL LANDMARKS

In 1786, Hudson Bay Company established an outpost on Lake St. Joseph, the site of which is presently on Osnaburgh Reserve 63A. The outpost was serviced from Fort Albany on the James Bay coast.

On July 12, 1905, Osnaburgh became the first Native group to sign Treaty # 9.

In the early 1960's, most Band members moved to their present Reserve site (63B) at Dog Hole Lake. The Band eventually bought out the Hudson Bay Company.

CURRENT ISSUES

The Band has a long history of social, economic and justice problems. In collaboration with the Band elders, several government agencies, through an Interministerial Committee set up in 1989, are attempting to alleviate chronic unemployment, family violence, substance abuse, and deterioration of social and economic conditions.

The Dona Lake Resource Agreement

BACKGROUND

In Ontario, Canada has constitutional and legislative responsibility with respect to Native people and the land that was set aside for them as Reserves, whereas the Province is responsible for the protection of property and civil rights of all residents of the Province.

In 1985, the newly-elected Liberal Government of Ontario signed a "Declaration of Political Intent" (DPI), with Canada and Ontario Native organisations. This tripartite document, which was reaffirmed in December 1989, represents a commitment on behalf of all signatories to Aboriginal Self-Government. The guidelines for negotiation of this intent support the aspirations of Native people and their desire to preserve their culture, but at the same time maintain commitment to third party interest, and control over Crown Land, so that economic developments from which all Ontarians would benefit, can be ensured. However, it is well recognised that, although Ontario's commitment to Self-Government is very strong, these negotiations could be quite lengthy.

In June 1985, the Osnaburgh Band and the WTC first became aware of the exploration activities in the Dona Lake area, and the company's intention to construct and operate a gold mine. Over the last 50 years, the Osnaburgh area, similar to most parts of Northwestern Ontario, has been subject to extensive resource activities such as forestry, mining, and hydro-electric developments. Yet the local Native communities had no or very little involvement in planning, managing and developing of the land use practices. In most instance, their input into Land Use Planning and Management has been through limited consultation with the Ministry of Natural Resources. Furthermore, since consultation between the Native people and developers was uncommon, the Native people were not advised of advantages and disadvantages that such developments could have on their livelihood and culture.

Thus, the Osnaburgh Band and the WTC, in order to assure protection of their environment and traditional way of life and mitigation of any adverse impacts, and in their desire to socially and economically share the direct and indirect benefits of the planned development, asked the Government of Ontario, to designate the project for an Evironmental Assessment (EA), under the Environmental Protection Act.

At the time, it was their belief that, in the absence of a specific policy addressing Native concerns about resources development, an EA designation was the most viable mechanism for the local Native communities, to capture the attention of the non-Native community and to gain time before a resource development would go ahead. Hence, in a letter to Susan Fish, then Minister of Environment, the Osnaburgh Chief and the WTC requested that the area surrounding the proposed mine site, be designated for an EA.

In 1986, the Attorney General and Minister Responsible for Native Affairs (Mr. Scott), based on suggestions by the Minister of Northern Development (Mr. Fontaine), and the Minister of Environment (Mr. Bradley), proposed that an agreement be negotiated to address the concerns of the Native people, and to defer any decision regarding an EA designation, as the latter would only cause long delays and significant additional costs to the development of the deposit.

Hence, negotiations for the Dona Lake property, with the Ministry of Northern Development and Mines (MNDM) as lead negotiator, began in the summer of 1986.

From that time until now, negotiation of such ad hoc "Resource Development Agreements", has been repeated once more for the Golden Patricia mine, and is being re-applied for the Musselwhite deposit.

TERMS OF THE AGREEMENT

The parties in the negotiation comprised Dome Exploration (Canada) Limited, Osnaburgh Indian Band as represented by Chief and Band Council, Windigo Tribal Council (WTC) as represented by Chairman and Tribal Council, The government of Canada as represented by the Minister of Indian Affairs and Northern Development (DIAND), and the Government of Ontario as represented by the Minister of Northern Development and Mines, and the Minister Responsible for Native Affairs. The negotiations, signing of the Agreement and overseeing the implementation of the Agreement through committees, were all expedited by a neutral Facilitator (Professor Alan Grant, Osgoode Hall Law School).

The main Agreement, which is the first one of its kind in Ontario, was signed on June 24, 1987. Companion Sub-Agreements on Human Resource Development Needs, Traditional Economic Activities, Economic and Business Development, Social, Cultural and Community Support, and Resourcing the Administration, Management and Implementation were signed subsequently, to December 1987.

The major components of the Dona Lake main Agreement are as follows:

1. EMPLOYMENT: the company would make every effort to provide maximum employment opportunities to the members of the Osnaburgh band. Should there be insufficient Osnaburgh members to fill positions, members of affiliated bands should be given priority, in the following order: Savant Lake, Cat Lake, Slate Falls, Bearskin, Sachigo, and Round Lake. As of January 23, 1990, out of a total work force of 119, 28 (23.5%) were Native, 16 (13.5%) of whom were from the WTC-affiliated bands.

In Accordance with a Human Resources Development Needs Sub-Agreement, the company will provide special work schedules to allow the Native employees to engage in traditional economic activities. Time taken for this purpose will not exceed three months per year, with no one absence exceeding one month.

The company will offer the choice of an interview in Ojibway to those candidates who are not comfortable with interviewing in English.

2. TRAINING AND APPRENTICESHIPS: all parties to this Agreement would make reasonable efforts to provide relevant training and re-training for Native people, in order to make them eligible for employment at the mine.

The company is responsible for the most direct and active role in provision of training and apprenticeship. Two means were utilised: practical on-the-job training on other mine sites operated by Placer Dome Inc. such as Detour Lake, and Campbell Red Lake, and through a 7-week course which is offered by Campbell Red Lake Mines, with financial assistance from the Provincial Government, on a relatively regular basis. The training consists of hard rock mining both for underground and surface operations. All principles related to development phases, actual mining and milling are included in the training of the Native people. Presently, at Dona Lake Native people are employed as miners, electricians, mechanics, surveyors, clerks, and mill workers.

The role of Ontario in provision of training is through existing programs of the Ministry of Skills Development (MDS), which assist members of Osnaburgh and affiliated bands to access job training programs.
Canada's role is to coordinate and facilitate necessary assistance within these existing programs.

3. SCHOLARSHIPS: Placer Dome Inc. will offer scholarships to sponsor project-related technical education at a suitable college for selected members of Osnaburgh and affiliated bands. The numbers are to be determined by the company from time to time. In the Human Resource Development Needs Sub-Agreement a total number of 6 was identified as the target.

4. HUMAN RESOURCES DEVELOPMENT NEEDS : in order to coordinate all efforts in the area of human resources needs, a working group with equal membership from each of the 5 negotiating parties was established, which would be active during the life of the Agreement. This working group will function under the Human Resources Development Needs Sub-Agreement, for which the ministries of Skills Development and Northern Development and Mines (MNDM), will provide $25,000. The mandate of the working group is to maintain and keep current inventories of:

- all jobs and apprenticeships available at the Dona Lake site
- all Native people seeking employment
- human resource development desires and needs of the Native people.

From time to time the working group revises and establishes new target numbers for Native employees. Initial target numbers were 55 people in the construction phase, and 30 people during the operation out a total work force of 119.

The working group is also responsible for production of annual workplans, data for inclusion in the human resources Sub-Agreement, and recommendations for effective improvements.

For the purpose of this working group and related Sub-Agreement, the participation of Canada, in addition to DIAND includes that of the Canada Employment and Immigration Commission (CEIC). For Ontario, the MSD in providing staff time is the responsible ministry.

5. TRADITIONAL ECONOMY ACTIVITIES (TEA): in recognition of the significance of Traditional Economy Activities to Osnaburgh and affiliated bands, special work schedules were prepared to allow, sufficiently in advance, both the mine operation and the Native workers the opportunity to conduct their respective operation/activity.

Ontario and Canada cost-share equally, base-line studies which would establish past and present levels of resource harvesting, and would identify constraints on maintenance and development of such resources.

Should the mining and related operations cause direct losses on beneficial uses of traditional harvesting resources, the company will provide sufficient compensation to members of Osnaburgh and affiliated bands.

Similar to the Human Resources Development Needs, a Traditional Economy Activities Sub-Agreement was signed and a working group, to oversee the TEA was set up. Within existing programs and necessary staff time from the Ministry of Natural Resources (MNR),

the main task of this working group is to establish the terms of reference for independent base-line studies and to supervise their implementation, to define criteria for measuring loss of traditional harvesting directly caused by the mineral activity, and to identify criteria for compensation payments.

Ontario through MNDM and MNR will contribute $ 25,000 towards the base-line study, and $ 20,000 towards an Impact study.

6. ECONOMIC AND BUSINESS DEVELOPMENT: all parties to this agreement recognise that the mineral operation could provide opportunities in goods and service businesses. A sawmill, bus transportation from Pickle lake and Osnaburgh to the mine site, and provision of goods and services to the mine, are some of these viable business ventures.

Both Canada and Ontario through the ministries of Consumer and Commercial Relations (MCC), MNDM, and Industry, Trade and Technology (MITT), agreed to coordinate and facilitate the use of existing programs to assist in development of business enterprises, under an Economic and Business Development Sub-Agreement.

A working group with equal membership from all parties would maintain and keep current an inventory of the supply and demand for goods and service required by the project, and the federal and provincial programs. The working group would also coordinate this information to produce maximum involvement by the Native people. For the purpose of this working group and related Sub-Agreement, Canada consists of DIAND as well as the Department of Regional and Industrial Expansion.

7. SOCIAL, CULTURAL AND COMMUNITY SUPPORT: generally, all parties agreed in principal that common community infrastructure, such as drinking water quality, washing facilities, health and educational services, need improvement. The company agreed to contribute to the building of a Band Hall/Gymnasium at Osnaburgh Reserve. Canada agreed to contribute up to a maximum of $ 100,000 for social, cultural and community support. Ontario, through the Ministry of Tourism and Recreation (MTR) agreed to contribute towards the feasibility study needed for the community building, and within existing programs, to coordinate the efforts of various provincial ministries (MNDM, MCC, MITT) towards improved community services.

A working group with equal membership from all parties is responsible to oversee planning and implementation of the community hall and other improvements on the infrastructure.

For the purpose of this working group and related Sub-Agreement, Canada is represented by DIAND and the Department of Health and Welfare.

8. ENVIRONMENTAL PROTECTION: the company will comply with all environmental laws according to Federal and Provincial requirements.

9. ADMINISTRATION, MANAGEMENT, AND IMPLEMENTATION OF THE AGREEMENT: all parties agreed to consult with each other during the life of the Agreement, to ensure its best execution.

Under a Sub-Agreement on Resourcing the Administration, Management and Implementation of the main Agreement, Ontario through MNDM will pay $ 85,000 towards the Resourcing Sub-Agreement, Band Agreement Representative, and Evaluation.

A Coordinating Management Committee (CMC) with equal membership from all parties and operating from Toronto, and a Dona Lake Working Committee, based on-site, are set up to ensure that the provisions of this Agreement are being observed, and to resolve any disputes or any other difficulties arising from it. The Dona Lake Working Committee would refer unresolved matters to the CMC for resolution. The company would pay for the position of a Native Employment Coordinator for the life of the project.

10. ABORIGINAL, TREATY AND CONSTITUTIONAL RIGHTS: nothing in the Dona Lake Resource Agreement will be construed as to affect the above rights. All Native people party to this Agreement will reserve all rights, privileges and freedoms, whether they were recognised, established or defined before and after this Agreement.

11. TERMINATION OF THE AGREEMENT: the agreement will terminate five years from the date of execution, and shall be re-negotiated following the receipt of an evaluation report prepared by the CMC, after 4 years.

12. WITHDRAWAL OF THE REQUEST FOR EA DESIGNATION: the Osnaburgh, affiliated Bands, and WTC withdrew their request for EA of the Dona Lake area, and agreed not to renew such a request in respect of this project during the life of the Agreement. However, they did reserve the right to seek such designations in respect of other projects, be it by Placer Dome Inc. or other companies.

FINANCIAL IMPLICATIONS

Ontario: the financial commitments for Ontario were primarily covered by existing Provincial policies and programs. However, because of the Agreement, application of existing programs will be more formalised and coordinated in conjunction with the programs of the Federal Government and the private sector.

The financial implications for Ontario can be divided into three categories: staff time, existing programs, and cash. Staff time and programs of at least 6 ministries (MNDM, MNR, MSD, MCC, MTR, MITT) and one agency (Ontario Native Affairs Directorate), and $ 155,000 were required for the Dona Lake Agreement.

Canada: the Federal Government also provided staff time and utilised existing programs of DIAND, CEIC, Department of Regional and Industrial Expansion, and Department of Health and Welfare to implement the Dona Lake Agreement. In cash, Canada committed up to $ 100,000 towards community infrastructure, and provided $1,000,000, through DIAND only, for resourcing of the 5 Sub-Agreements. These funds will be provided on a yearly basis, with $ 300,000 for year one, $ 200,000 for years 2-4, and $ 100,000 for year five.

STATUS REPORT ON THE OPERATION OF THE AGREEMENT- PROBLEMS AND SOME SOLUTIONS

The followings are extracted from the minutes and associated documents of the CMC meetings from August 17, 1988 to January 26, 1990. In most cases, a message of both

success and failure is relayed.

WORK HABITS:

No specific employment targets were set out in the main Agreement. However, the Native people would like to aim for tangible targets. As of January 1990, 23.5% of the total work force was Native. The Native people expect that the employment rates will rise slowly, as the operation continues, and are aiming for figures of up to 50%.

Turnover of Native personnel is high and generally higher than the non-Native workers. In a company report submitted to CMC, the following figures were quoted:

203.8% turnover for Native workers, 90.4% for non-Native workers, and 119.4% for all. Retention rates as of the end of 1989 were 32.9% for Native and 55.7% for non-Native workers.

Absenteeism has also presented some problems. The rate of Native absenteeism is about 12.53%, as opposed to non-Native rate of 3.92%.

TRAINING:

In general, training programs have progressed well. As a result several Native people have escalated from labour positions to skilled miners, electricians, mechanics, journeymen, mine rescuers, and clerks.

It appears that if the Native workers and apprentices survive the first few months of their new life style, they will continue with the plans, and remain in the job.

ACCOMMODATION AND TRANSPORTATION:

Accommodation was scarce at the start up of the project. The company had assumed that sufficient housing will be available in Pickle Lake. But in mid-late 80's with a surge of exploration activity in the area, housing in the town of Pickle Lake became rare.

Furthermore, living in bunkhouses is not a viable measure for families, and living in the town as opposed to the Reserve, is much less desirable for the Native workers.

Most of the accommodation problems were reduced when the company bought, built and rented some units.

Transportation to and from the mine site to Pickle Lake and Osnaburgh Reserve also presented some problems at the beginning of the operation. But most of the pressures were alleviated when two of the Native workers bought cars, and used them for car pools with their fellow workers.

MONEY-MANAGEMENT:

Since most Native workers had limited or no previous experience of operating within the framework of a wage-economy, several money-management problems surfaced.

A workshop on how to use the services of a bank, chequing procedures, and wise handling of money was given to the workers on site.

Several attempt were made by the Native people to encourage a financial institution to provide local financial services.

After the education through the workshop and other consultation services, loan payments were met regularly, and financial problems lessened.

BUSINESS OPPORTUNITIES

A janitorial service with 3-5 members was set up at the beginning of the mine operation. But the business was unsuccessful.

Nonetheless, the Osnaburgh Band would like to continue and expand on the efforts of the Working Groups on Business and Economic Development & Community and Cultural Support, as they recognise that business opportunities developed on the Reserve are the best means of providing employment to the Band members especially for those who do not necessarily desire to be miners, and more importantly do not wish to live away from the Reserve.

Summary and Conclusion

The most immediate benefit resulted from the negotiation and signing of the Dona Lake Resource Agreement was the timely and orderly development of a gold mine, avoiding a costly EA which would have significantly delayed any development in the area, while addressing some of the concerns of the local Native population in the following areas:

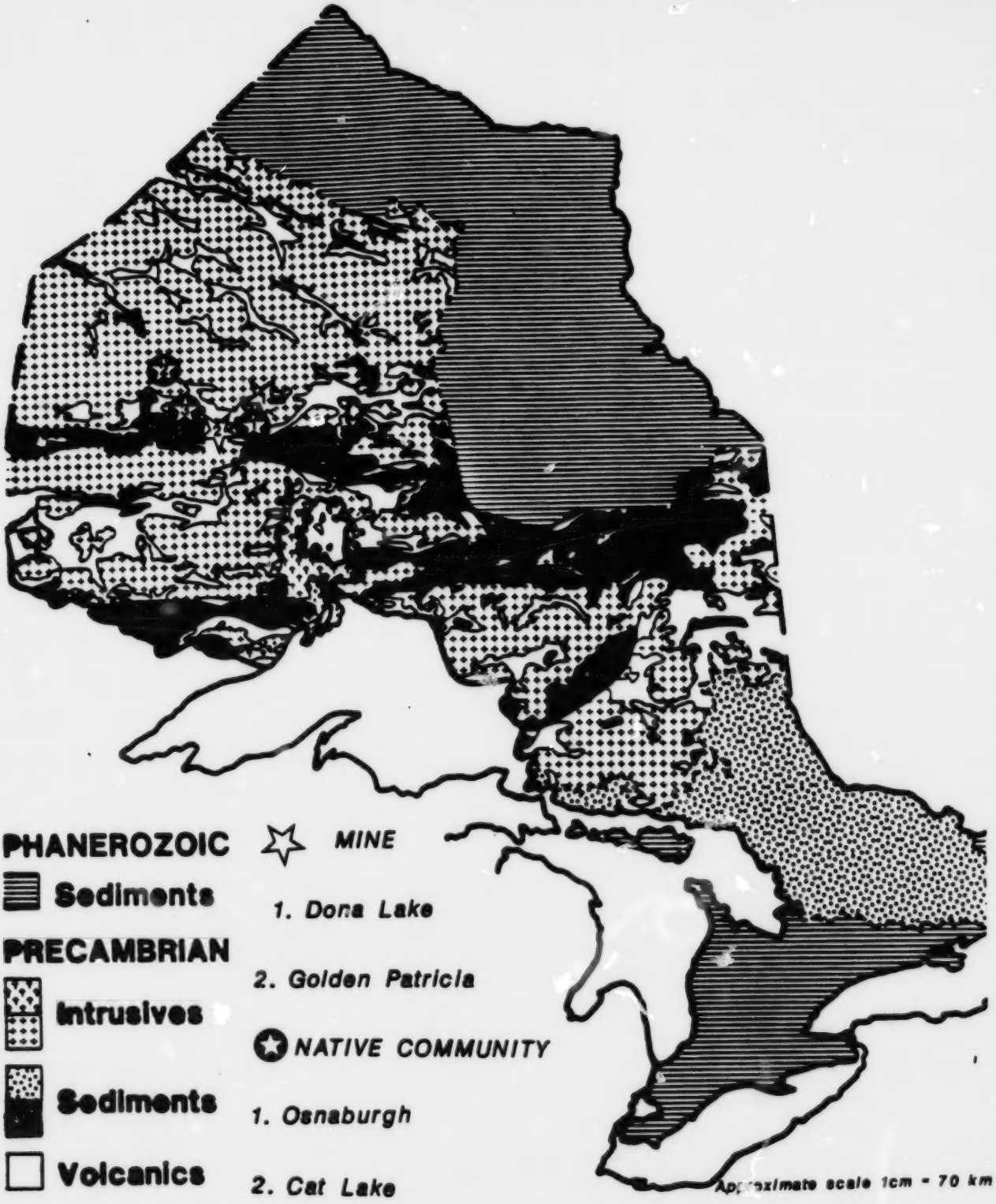
1. Protection of the environment
2. Respect for traditional culture and life style, and
3. Employment and economic development.

The terms of the Dona Lake Agreement provide reasonable means for these objectives, but the concerns of the Native people over the protection of their natural habitat and more importantly on being consulted in land use planning and development remain a current issue.

The Dona Lake Resource Agreement was a positive opportunity to demonstrate the possibility of mutually beneficial arrangements of creating new wealth, but more importantly to share that wealth, while mitigating the impact of mining on the environment. It also served to reassure the private sector that investment in the North is by no means endangered.

Being the first of its kind in Ontario, negotiating, signing, and implementing of this accord has provided tremendous information to all parties involved for future considerations. The Dona Lake Resource Agreement model has already been utilised for the Golden Patricia mine, and is being copied for the Musselwhite deposit.

It is anticipated that future dealings between the Mineral Industry and the Native population will expand and improve, and resource development will take on a joint effort format, rather than fractinated endeavours.



Map 1. Location of Dona Lake & Golden Patricia mines, and adjacent Native communities, NW Ontario

GOLDEN PATRICIA CASE-STUDY

Description of Mine

The Golden Patricia mine and mill complex is located approximately 70 km southwest of the town of Pickle Lake, in the Patricia mining division of district of Kenora, Northwestern Ontario (Map 1). St. Joe (Canada) Inc. who originally discovered the deposit in December 1985, was overtaken by Bond Gold Canada Inc. (the Canadian subsidiary of Bond International Gold, an Australian company) who decided to bring the deposit into production in 1986.

The mine and mill were in full operation on October 1, 1988, and the first bar of gold was poured on September 14, of the same year. Production is at an average rate of 48,000 ounces of gold per year from proven ore reserves of 367,650 tonnes.

Extraction of gold takes place from two narrow ore zones, in an underground operation, with a cyanidation and carbon-in-pulp mill which processes 250 tonnes of ore per day, and is designed to expand to 550 tonnes when full underground development is completed. Total estimated cost of exploration and development to production is $ 25 million. The cost of production of the ore is estimated to vary between US $ 250-290 per ounce.

No town is developed at the mine site. A private air strip supports a fly-in, fly-out operation. Workers complete 14 days of 12-hour shifts, alternating with 14 days off; this amounts to an average of 42 hours of work per week.
The fly-in base is the town of Dryden. However, for the Native employees, the company provides pick-up and drop-off services at Pickle Lake and Slate Falls.

Native People Profile

Three Indian Bands were party to the Golden Patricia Resource Agreement. The profile for the Osnaburgh Band is describe under the Dona Lake case-study. The followings are information on the Cat Lake and Slate Falls (recently renamed New Slate Falls) Indian Bands. All three Bands are affiliated with the Windigo Tribal Council (WTC), under the political umbrella of the Nishnawbe-Aski Nation (NAN). NAN represents all Native groups who reside within the Ontario boundaries of Treaty # 9, signed in 1905-1906.

DEMOGRAPHICS

Cat Lake: Reserve # 63 C, located on the north shore of Cat Lake, and with a total surface area of 218 hectares (538 acres), is the site of residence for most members of this Band. Of the 401 people (at December 31, 1987) consisting of 193 male and 208 female members, 393 live on-Reserve, 6 off-Reserve, and 2 on Crown Land. Of the 393 living on-Reserve, approximately 56% are younger than 19, and only 3% are older than 65. The language of the Band is Cree.

New Slate Falls: this group of Native people gained Band status only in 1985. Prior to that date most were registered in the Osnaburgh Band. Thus no Reserve land has been designated to these people. A total of 124 individuals, comprising 65 male and 59 female live on Crown Land and the Slate Falls Indian Settlement. The language of the Band is Oji-Cree.

COMMUNITY SERVICES

Cat Lake: The Reserve is supplied with electricity from a diesel generator, telephone services from Bell Canada, mail from Canada Post, and radio and television services through TV Ontario, and local stations. An Anglican and a Pentecostal church operate on site.

Fire fighting equipment is available on the Reserve, police protection is through the OPP, Northern Air Patrol in Sioux Lookout with one Band constable on site, medical facilities consist of a nursing station, established in 1987, with the nearest hospital in Sioux Lookout. Running water and septic system waste disposal are only available to the school and teacherage.

The Federal Government provides on-Reserve schooling up to grade 8; continued education can only be obtained in nearby non-Native communities such as Sioux Lookout.

New Slate Falls: the Settlement is supplied with operator-assisted telephone services from Bell Canada, mail via Slate Falls Airways, and communication through one CBC microwawe tower. One Mennonite church is on site.

Fire protection, running water, and garbage disposal are not available. Diesel generated electricity is only accessible to the school. Police protection in through the OPP, Northern Air Patrol from Sioux Lookout. Medical services consist of a monthly nursing clinic from Sioux Lookout.

The Provincial Government provides schooling up to grade 8; continued education can be obtained in Sioux Lookout.

TRADITIONAL ECONOMY

Cat Lake: Trapping: 17 traplines are used by 63 licensed trappers, with above average production. Fisheries: 7 commercial fishing licences are used by Band members. Forestry: a small sawmill operates intermittently. The shores of Cat Lake are forested with good quality pulpwood. Wild Rice: limited harvesting takes place on the Dobie River area (Osnaburgh's stands). Mining: a recent study demonstrates potential for peat deposits.

New Slate Falls: Trapping: 13 licensed trappers utilise 7 registered traplines. Fisheries: one commercial licence is held on Lake St. Joseph. Forestry: only for domestic fuelwood usage. Wild Rice:in the 1980's several sites on Bamaji Lake were seeded, which yielded a harvest of 1,800 pounds in 1988.

COMMERCIAL ECONOMY

Cat Lake: Native Arts and Crafts items are produced for commercial marketing. A Hudson Bay store, and a Variety store/poolroom operate on the Reserve.

New Slate Falls: other than a guiding services for tourist no business exists on the Settlement.

HISTORICAL LANDMARKS

Cat Lake: the Hudson Bay company established a trade outpost at Cat Lake in 1788, which

served as outpost to Fort Albany on the James Bay coast. The 63 C Reserve used to belong to the Osnaburgh Band, with whom the Cat Lake Band has close family ties.

New Slate Falls: the site of the present Settlement has been inhabited by the Band members for over 100 years. The Band gained official status in 1985.

CURRENT ISSUES

Cat Lake: the surface area of the Reserve is too small to support the 393 occupants. It is likely that the Band will request expansion of its Reserve land base from the government.

New Slate Falls: the Band would like to negotiate designation of land as Reserve to its members. A Memorandum of Understanding has been signed, and negotiations are under way to secure land base and reserve status for the community.

The Golden Patricia Resource Agreement

BACKGROUND

Similar to the Dona Lake case, when in November 1986, the WTC and three member Bands (Cat lake, Slate Falls, and Osnaburgh) became aware of the exploration activities in the Golden Patricia area, and the intentions of St. Joe (Canada) Inc. to construct and operate a gold mine and mill complex, they requested the Ontario Government that the project be designate under the Environmental Assessment Act (EAA). Once again it was proposed that an agreement be negotiated to address the concerns of the Native people. The Ministry of Northern Development and Mines undertook the leading role in the negotiation process which began in August 1987, and was completed in February 1988.

TERMS OF THE AGREEMENT

The parties in the negotiation comprised St. Joe (Canada)Inc., Cat Lake Indian Band, Osnaburgh Indian Band, Slate Falls Indian Band as represented in each case by Chief and Band Council, Windigo Tribal Council as represented by Chairman and Tribal Council, the Government of Canada as represented by the Minister of Indian Affairs and Northern Development, the Government of Ontario as represented by the Minister of Northern Development, the Minister of Mines, and the Minister responsible for Native Affairs. All phases of negotiations and overseeing of the implementation of the Agreement were moderated by a neutral facilitator (Professor Alan Grant, Osgoode Hall Law School).

The main Agreement was signed on March 18, 1988. Companion Sub-Agreements on Human Resources Development Needs, Traditional Economic Activities, Economic and Business Development, Social, Cultural and Community Support, and Resourcing the Administration, Management and Implementation of the Agreement were identified in the main Agreement, some of which have been signed, and others are being negotiated.

With the exception of the followings, all the terms and conditions of the Golden Patricia main Agreement and Sub-Agreements are the same as the Dona Lake Resource Agreement.

1. Economic and Business Development: Ontario agreed to conclude an agreement with the Slate Falls Band with respect to tenure and usage of a landbase, which shall include a minimum of 4 square miles south of North Bamaji Lake, and may include additional acreage north of the same lake.

2. Social, Cultural and Community Support: all parties agreed to contribute towards improvement of communities' infrastructure. But unlike the $ 100,000 contributed by the Federal Government towards the building of a Community Hall/ Gymnasium in the Dona Lake case, no specific amounts were identified in the Golden Patricia case.

3. Financial Implications: St. Joe (Canada) Inc., Ontario and Canada will provide equal contributions of up to $ 500,000 each, up to a total amount of $ 1,500,000, to meet the terms of the Sub-Agreement on Resourcing the Administration, Management and Implementation of the Agreement. Funds will be provided by each of the three parties in sums up to $ 100,000 each, on a yearly basis, for a total of 5 years.

Status Report on the Operation of the Agreement - Problems and Some Solutions

The followings are extracted from the minutes and associated documents of the CMC meetings from September 1988 to January 1990.

EMPLOYMENT TARGET

As of January 1990, out of a total work force of 200, 41 (20.5%) were Native employees.

BUSINESS OPPORTUNITIES

A Laundromat service is being developed from Cat Lake. A sawmill at the Savant Lake is supplying the necessary timber to the Golden Patricia project. Weagamaw Air is making arrangements to undertake air services between the mine site and the communities of Slate Falls, Osnaburgh, and Cat Lake.

MONEY-MANAGEMENT

A workshop was set up to instruct Native employees on how to make payments by cheque, direct deposit their salary, and make contributions to RRSP plans. Discussions with financial institutions and Credit Unions continue, for provision of better banking services to the Native communities.
Lac Minerals purchased 65% of Bond International Gold, the father company of Bond Gold Canada Inc.

Summary and Conclusion

As in the case of the Dona Lake, negotiating and signing of the Golden Patricia Agreement benefited all parties involved by the timely development of a gold mine. And similar to the Dona Lake case, the fundamental concerns of the Native people, other than employment and economic benefits, remain in their desire to protect their environment and to be consulted on all phases of land use planning, development and management.

Thus, the question is whether such agreements are to continue as an ad hoc process or should the Ontario Government develop a new comprehensive and structured approach regarding resource planning and development in remote North, which would involve the local Native population.

CLUFF LAKE MINE IN NORTHERN SASKATCHEWAN

The Cluff Lake uranium mine in northern Saskatchewan has been successful at hiring and promoting natives, using contractors who have a strong native content in their work crews, and opening business opportunities for natives. Company commitments to promote northern involvement were written into government surface leases as binding conditions. Surface leases were written in terms of promoting employment of "residents of northern Saskatchewan": this group is predominantly native. The case study focusses on company efforts to maximize northern involvement.

The Cluff Lake Mine

The Cluff Lake mine and mill complex is located in northwestern Saskatchewan, 80 kilometres south of Lake Athabasca and 29 kilometres east of the Alberta border. The operation involves both open-pit and underground mines, and a mill which began producing uranium oxide (yellowcake) in the fall of 1980. Initial mine and mill capital expenditures totalling $170 million were intended to support a project life of at least 12 years, but continued exploration has resulted in sufficient ore today to enable milling to continue to the year 2000.

Amok - Cluff Mining Ltd. (Cluff Mining) is owned 80% by Amok Ltd/Ltee (Amok), a subsidiary of French uranium interests, and 20% by Cameco - Canadian Mining and Energy Corporation (Cameco). The mine was discovered by Amok, with Cameco's predecessor, the Saskatchewan Mining Development Corporation, buying the 20% stake shortly before mining began. Cluff, Amok and Cameco are all headquartered in Saskatoon.

Phase I of the project , 1980 through 1983, utilized very high grade ore deposits averaging 6% uranium. The second and third phases utilized more typical ore deposits averaging 0.5% uranium. The mill can produce about 4 million pounds per year of yellowcake, but has been operating at lower levels during the recent period of low prices.

The mine uses a fly-in commuter system in which employees are flown in to work 7 eleven hour days. There is no permanent townsite; instead, residences and recreational facilities, including a gymnasium and arena, are provided at the mine-site. The mine was unionized after several years of operation.

In the early 1980s over 300 employees worked for Cluff Mining. That number has declined to under 200 employees today. Northern employees hold a wide variety of the jobs, including mine shift boss, mill operator, heavy duty mechanic, industrial mechanic, industrial mechanic apprentice, electrician, instrumentation apprentice, warehouse foreman, welder, trainer, and radiation/ventilation technician.

Local Peoples

The area around Cluff Lake is not inhabited and there is only limited hunting and trapping in the area. This means the largest impact on native northerners is through the hiring of labour or purchase of services from outlaying communities. A 240 kilometre all-weather road links the mine with La Loche, the nearest town to the south.

A report prepared before the beginning of commercial production described the northern Saskatchewan population as either "modern industrial", meaning living in towns that were supported by government activity or mining, or "remote". Two-thirds of the population, or

16,700 people were considered to fit this definition of remote, and of these, 94% were native.

Remote communities had low labour force participation rates (37% as compared to the provincial average of 60%) and high unemployment. Employment consisted mostly of the traditional seasonal pursuits: hunting, trapping and fishing.

The northern communities are often considered in terms of the "west-side" communities nearer the Alberta border, and the "east-side" communities nearer the Manitoba border. There were 7,000 people on the west side, with only the 2,000 people in the Uranium City area meeting the definition of modern industrial. A large percentage of the population was under 15 years old, so a considerable number of new jobs were needed over the 1980 to 2000 period to sustain even the low employment rates.

The Cluff Lake Board of Inquiry

The government responded to public concerns about uranium development in early 1977 by establishing a Royal Commission with a wide mandate to:

- recommend whether or not Saskatchewan should proceed with uranium mining,
- review available information on probable environmental health, safety and social effects of the proposed Cluff Lake mine,
- determine if environmental laws and regulations were adequate,
- facilitate the provision of information to the public,
- review public comment on any matter related to the proposed development,
- and to recommend by the fall of 1977 whether the proposal should proceed and whether any conditions should be attached to approval.

The Inquiry was commonly referred to as the Bayda Commission. The November 1977 deadline was criticized as providing too short a time frame, and in fact the Bayda Commission report was not released until June 1978. The inquiry allowed for the discussion of a wide range of topics with a wide range of input. However the delays were costly to Cluff Mining because of the later start-up date.

At the inquiry the company recommended a commuter system as being most suitable for the northern lifestyle. Employees fly in to work one week then return to their home communities for a week. The week at home allows some time for family pursuits and traditional native employments. The Commission agreed that a commuter system was desirable.

The company filed a document which set out its hiring and training plans. The stated objective was the creation of the best possible opportunity for native participation, with the ultimate goal of maximizing native involvement. Community leaders would be involved. The company would first train employees with an operating skill, then provide further trade training if desired. The company would establish a personnel and training department. The company predicted 50% northern labour content by Phase II of the mine.

The Bayda Commission was favourably impressed by the company's plans, and saw them as a declaration of intent with a moral obligation to carry them out. They considered the 50% level attainable but optimistic. The company has consistently been over 50% since the beginning of Phase II.

The Commission concluded that the company's commitments should be put in a legally binding form and recommended that the project proceed subject to a number of conditions, including detailed conditions aimed to increase northern participation in the project. These conditions were written into the surface lease.

The Surface Leases

Surface leases are granted by the provincial government. They allow the holder to actually do the physical work on the earth's surface associated with mining, and are distinct from Crown mineral rights, which give rights to the minerals for the purpose of extraction. The surface lease is a legal document signed by the government and the mining company. Without a surface lease, the mining company is trespassing on Crown property.

The first surface lease for the Cluff Lake mine was issued in 1978, following the report of the Bayda Commission. Further surface leases were issued in 1983 and 1987 as the project entered new mining phases. The surface leases required the company to make the extra effort that is often needed to train, hire or procure in the north, and to remove informational barriers by giving advance notice of business and employment opportunities to northerners. These leases were very broad in scope.

The stated intent of Part III of the 1978 lease, titled "Direct Economic Benefits For Northern Residents", was as follows:

> "This part recognizes the fact that northern people and in particular northern people of Indian descent face large scale unemployment and a large number of socio cultural barriers which would hamper their ability to obtain employment without special remedial action being taken. The intent of this part, therefore, is to obligate the Lessee to provide to northern residents the maximum direct economic benefits that may be achieved during construction and operation of the mine and mill, and to provide for a co-operative effort by the Lessee and the Minister to fulfill this intent."

Part III also dealt with employment during the operation of the mine and mill, employment during construction of the mine and mill, the preparation of an employment plan, employment benefits and conditions, recruitment, a monitoring committee, the minister's powers, and local goods and services. Individual conditions may refer to general intent or best efforts, but may also be very specific. A "northerner" was defined as a person who has lived in northern Saskatchewan for 15 years or half his life.

A general provision of the lease under the heading of "Employment During The Operation of the Mine and Mill" says that "the Lessee and the Minister agree to co-operate to ensure that the greatest possible number of northern residents are employed at the mine and mill".

More specifically, in 1982 and each subsequent calendar year, the lessee was required to employ 50% northerners, distributed throughout the widest possible range of job classifications. The company could request that the minister revise the 50% participation number. The company was required to use preference for northern residents in placement and advancement, special recruiting measures, and special training, counselling and support. During the construction phase of the mine and mill, there were best efforts conditions but no specific percentage requirements.

To facilitate the spread of information about position openings, the company was required

to file an annual employment plan. The plans defined the positions at the company, expected native participation, recruitment undertakings, staff promotions and staff training for the forthcoming year. A quarterly construction statement was required, explaining contracts to be offered, the number of employees, general job descriptions, and what procedures and requirements the company planned to use in its contracts to maximize the employment of northern residents.

The company was required to notify the governments of Saskatchewan and Canada of its intention to fill a vacant position, so as to allow government agencies to submit a list of potential employees for consideration. A similar provision dealt with hiring by contractors.

The seven day in, seven day out schedule was written into the surface lease, and could only be altered if necessary and if approved by the employees. Free air commuting service had to be provided to at least 5 points in the north. According to the surface lease the company was required to work with at least one community to establish a pilot project for the purpose of training a group of northern residents. In addition training programs were to be developed to provide a basic orientation, a health, safety and radiation protection course, and technical courses for current and potential employees. Qualified northerners had to be apprenticed to available journeymen. The company was required to have at least one native language speaking employee who could deal directly with senior management and provide general vocational counselling.

Preference was given to purchases of goods and services in northern Saskatchewan. The company was required to prepare a Business Opportunity Plan to optimize the participation of northern businesses in the construction and operation of the mine and mill. Northern business was to be consulted during the preparation of this plan. The plan included the identification of classes of goods and services which the company required, procedures to maintain an up-to-date Northern Bidders list, and the creation of a liaison office.

A monitoring committee was established to review and evaluate the effectiveness and compliance with this part. After any failure to comply with lease conditions the Minister had the power to refer the breach to an Arbitration Board, or notify the lessee of its failure to comply. After notification of failure the Minister could grant relief from any of the requirements or terminate the lease.

A new surface lease was signed in 1983 as the mine entered the second phase of production. Essentially the conditions remained the same, although there were some changes. Explicit percentage targets were dropped, monitoring became the responsibility of the provincial government, apprenticeship had to be beneficial to both the company and the employee, and reference to training in industrial English by the government was added. It was felt that explicit targets were not particularly useful. Rather, best efforts by the company, monitoring by the government, and cooperation between the two would lead to fulfillment of the desired objectives. Training and recruitment programs were already established, working relationships between parties had been built, and northerners were advancing within the company. The company began reporting northerners on the basis of a ten year rule of northern residency rather than 15 years.

The 1987 surface lease referred to previous practices, including training, recruiting, and the filing of a human resources development plan. There was some rewording of certain surface lease conditions. The lease also added a section on fostering commercial opportunities. The company was required, where "consistent with the intent of this Agreement, the economics of the project and good Canadian mining practice," to

encourage the participation of local northern businesses. Part of this was to identify potential opportunities for northern businesses and make efforts to foster these. This was already company practice.

All provincial surface leases in northern Saskatchewan now contain a Human Resources Agreement negotiated between Saskatchewan Education, Northern Division and the mining company. The central feature of these agreements is that employers make a specific commitment to maximize the recruitment, hiring, training, and advancement of northern people at all skill levels of their operation. The commitment is detailed in an annual Human Resources Development Plan that targets job categories in which the companies will give northern people preference during hiring or advancement. The plan also identifies northern communities whose residents will be given priority when jobs in a targeted category are to be filled.

Local Involvement

Before construction began, the company toured the west-side communities to establish what resources were available. The company continues to have ongoing contact, as required, with native groups and governments. There are ten Treaty Indian Bands in the Meadow Lake District in the north-west quarter of the province, and twelve in the Prince Albert District in the north-east quarter of the province. The company deals with individual bands or the district as required. This may also involve the federal Department of Indian Affairs and Northern Development.

There was contact with local Metis groups and occasionally with the Metis Society. This contact continues. The company works with mayors or village councillors in small, non-treaty communities such as Beauval or Buffalo Narrows. The company also has occasional discussions with the two northern members of the provincial legislature.

The company's northern liaison coordinator made 27 community visits in 1989. Recent meetings with community or band leaders allowed discussion of issues such as keeping a stable northern work-force during a downturn in the uranium market, environmental concerns, the performance of one contractor in terms of hiring northern labour, and details of the commercial cooking training program. As well, the company learned about the formation of a credit union in Buffalo Narrows. The company purchased shares in the credit union, which is the first financial institution in the company's impact area. Local community support for the mine and interest in developments at the mine remain strong.

The company participates in high school career days and attends some community college classes on invitation. The company was represented recently at an Indian Employment conference.

The company operates a scholarship program under which 6 university scholarships and 3 institute scholarships with a total value of $34,000 are awarded to northerners each year. Since 1979 over $350,000 has been awarded. The scholarship program has a high profile and a direct impact on northern communities. Last year a recipient from Fond-du-Lac graduated with a Doctor of Medicine in Dentistry.
The company also administers a scholarship fund established by the recreation club of Catalytic Maintenance Ltd., the contractor who did the 1982-83 mill expansion. One university scholarship of $2,000 and 2 institute scholarships of $1,000 are awarded annually.

Company Contracting Policy

One key strategy in implementing surface lease requirements was making work available for native contractors. Before construction began the company found nine small contractors in the west-side communities and helped them consolidate and form the Northlands Development Corporation. Northlands then bid successfully for key construction work such as site preparation, water, sewer, and road building.

The company reduced contracts to manageable sizes. In one case they helped a contractor find a site superintendent. In another the company supplied an engineering consultant to provide management and quality control services. Administrative policies were also important. The company signed letters of intent with contractors, allowing the contractors easier access to financing. (This financing was from government agencies: native businesses had very limited access to traditional bank financing because of both remoteness and their lack of an established track record).

The company established separate manpower contracts for labour intensive tasks. The company used some "cost-plus" contracts, since northern businesses were inexperienced at bidding larger contracts. The company waived performance bonds and tender deposits, and dropped the usual 15% post-inspection contract hold back. Invoices were paid promptly to ensure adequate cash-flow for the northern businesses.

Much of the work was done with closed bids or invitational bidding. Some contract bidding remains invitation only. During contracting for the construction phase, the proposed level of northern employment was used as a criterion for selection in awarding a contract. Many of the unions involved in the construction phase introduced special measures that favoured northern employment. These included preference to northerners over established union members in filling requests by contractors, and dispatching instructions to northerners at home rather than having them report to union halls in Saskatoon or elsewhere.

This approach to contracting required more effort from the company, particularly in the purchasing and accounting departments. The additional costs were accepted by the company to achieve the goals of northern involvement. As the construction phase proceeded and administrative procedures were put in place the additional workload decreased.

Training

At the time the Cluff Lake mine was established provincial job training programs were not as well established as they are currently. The company decided to develop most of its own training programs through its training and personnel office. The programs included the four basic categories of mining, mill operations, health and administration, and camp maintenance. Training usually followed the pattern of on-site classes, practice in a demonstration setting, then on-the-job practice.

The training program was designed and established by the company. Community colleges provided some pre-employment training. The federal government, through Canada Manpower, provided some training funds on an individual employee contract basis. Some off-site training was through provincial apprenticeship programs. A series of off-site pre-employment mill operator training courses were held in northern communities in cooperation with the West Side Community College.

Trades courses for heavy duty mechanics, millwrights, electricians, welders and plumbers conform with provincial apprenticeship program standards. Technical training courses have included mine equipment and heavy equipment operators, mill operators, warehousemen, surveyor assistants, camp maintenance, environmental/radiation protection samplers and trades helpers. Most of these courses were approved under the Canada Manpower Industrial Training Program or the Critical Trades Skills Training Program.

The company was deliberately flexible in its hiring and training of employees. They tried to build jobs around the strength of individual employees rather than simply slotting qualified employees into well-defined jobs. This flexibility makes it easier to hire native employees.

A recent example of government and industry cooperation in training is the program that Beaver Foods, the on-site food contractor, entered into with the assistance of the Canada Employment and Immigration Commission, Northlands Career College, the Northern Division of the Saskatchewan Department of Education, and the Woodlands campus of the Saskatchewan Institute of Applied Science and Technology. The program is accredited through Woodlands campus and coordinated by Northlands in Buffalo Narrows. It is expected that most graduates will be hired by Beaver to work at Cluff Lake. The company acted as a liaison and referral service for Beaver.

Contractors and Northern Businesses

The main on-site contractors all have considerable northern content. Prince Albert District Chiefs Development Corporation, which is owned by the 12 east-side Indian Bands, has the contract for on-site security and janitorial services. Their 1989 report shows 75% northern labour content in security and 90 to 100% in janitorial services. They added training programs for security workers. Both supervisory personnel on opposing shifts are northerners.

Beaver Foods has recently maintained a range of 40 to 50% or higher, and is currently training more northerners. Cluff Mining acts as a referral source for applications for the underground mining contractor.

The company has effectively sourced much of its supply and service business in northern Saskatchewan. In spite of the slow year in 1989, over $3 million was spent on northern business. Buffalo Narrows Airways was a single-man operation involved mostly in fire fighting or commercial fishing before it was chosen by the company to shuttle workers from small communities on the west side to Buffalo Narrows to connect with the flights from Saskatoon to the mine, and to return the workers to the smaller communities from Buffalo Narrows after their shifts at the mine.

A total of 48 northern businesses made sales to the company in 1989, from small taxi companies to larger firms such as NRT Trucking, which does over 90% of the company's trucking. The company's commitment to using northern businesses, and its high profile and ongoing liaison work in the north have all been important. This attitude spreads: for the past two years, Beaver Foods has purchased vegetables from a market garden in Ile-a-la-Crosse, a west-side community.

Current Government Training Programs

Since the time the Cluff Lake mine began operations several government sponsored training programs have become well established. In particular, the Northern Training

Program, run by the Northern Division of the provincial Department of Education, and the Native Career Development Program, run by the provincial Indian and Native Secretariat, both train to fill specific anticipated job vacancies. The employer is on the selection committee.

Saskatchewan Education, through the Northern Division, closely works with employers in order to identify what training will be needed to enable northern people to fill jobs in the targeted categories. The Division then consults with the employer, provincial institute system, and Northlands College to develop and fund job-specific training programs which meet the special learning needs of northern people.

NorSask Native Outreach has been used by the mine to find northern trainees. Outreach is an independent body which compliments the services of Canada Employment Centres in La Ronge, Buffalo Narrows and Creighton by helping native people to find employment and training opportunities. Services include information about programs, direct placement in job vacancies, counselling services related to employment and training, and referral to other agencies. Employers can be assisted by identification of available manpower and follow-up support. Outreach is headquartered in northern Saskatchewan and has eight field staff and a native board of directors. Funding is from Canada Employment and Immigration Commission.

Conclusion

The results of the company programs have been impressive. The company has out-performed the conditions set by the Bayda commission. The company consistently achieves over 50% northern participation.

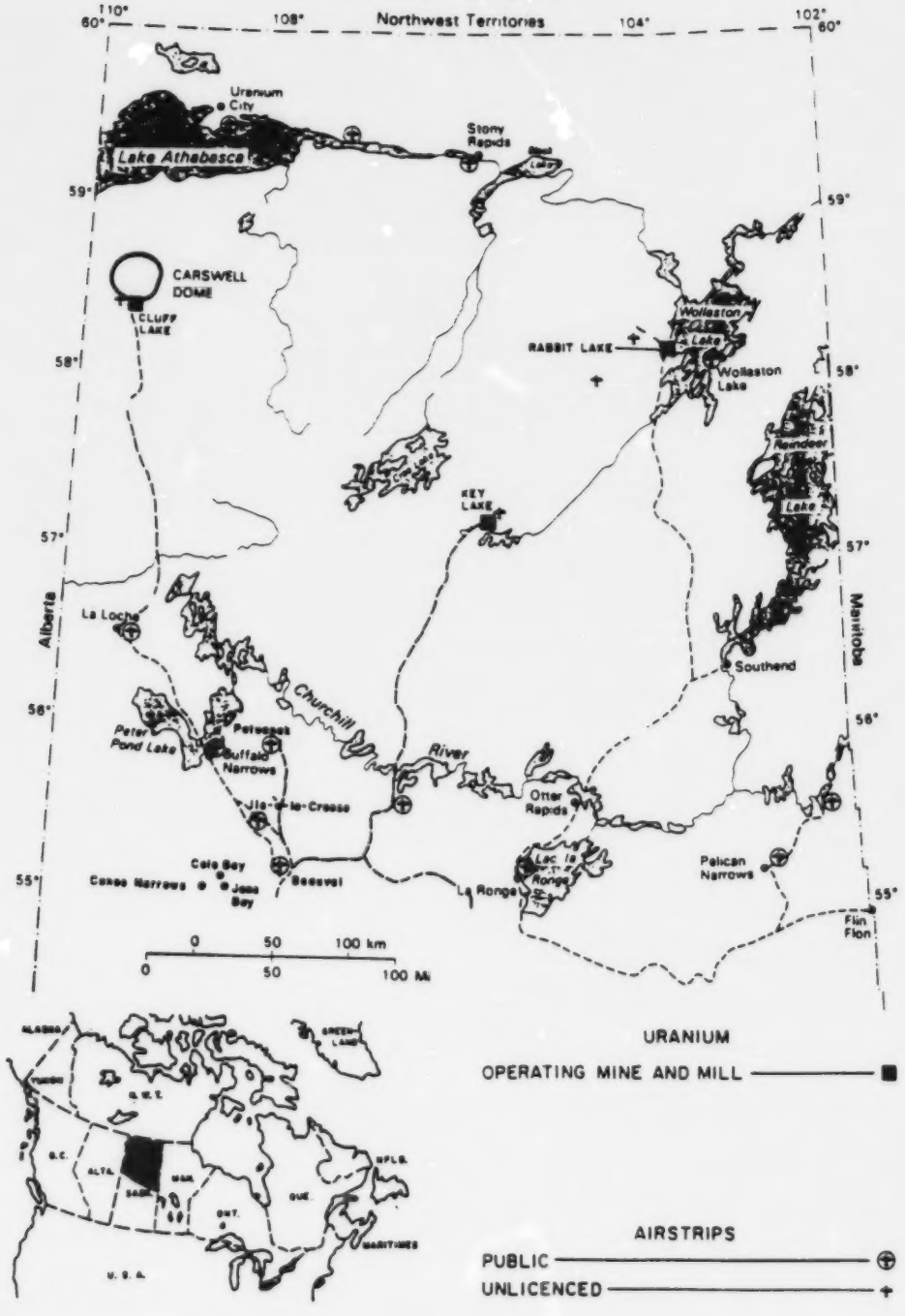
An internal government policy review estimated that the incremental costs of achieving the high northern participation rates were well over $1 million per year during Phase I of the project. During Phase II, incremental cost approached $1 million per year. The main cost was extra training. Other costs included transportation of northern workers, extra counselling and co-ordination staff, productivity losses from higher turnover rates, operation of the northern office and the scholarship program.

Aside from the result of simply satisfying lease requirements and continuing operations, the company did receive some benefits for the incremental cost. Community support for the project is strong. Northern communities understand the industry and the benefits they accrue from it. This is particularly important in the uranium industry, which is more subject to political debate than other mining industries. The company has been recognized for its success and company employees take pride in this success.

The single most important success factor has been company commitment to the goal of involving northerners in the project. This commitment exists throughout the company. This commitment was then repeated as a requirement in the surface leases.

Contact with local groups, the filing of business plans, and a constant effort to recruit in northern Saskatchewan were all important. The company adapted to the needs of northern contractors. Company training programs allowed northerners to develop new skills and move up in the company. A decade after the opening of the mine the commitment continues.

NORTHERN SASKATCHEWAN
URANIUM DEPOSITS



URANIUM

OPERATING MINE AND MILL

AIRSTRIPS

PUBLIC

UNLICENCED

TAHLTAN - GOLDEN BEAR CASE STUDY

The Golden Bear gold/silver mine in northwestern British Columbia has been the focus of successful native-non-native business relations in the mining industry. Through negotiations and with government assistance, the Tahltan and the Golden Bear Operating Company were able to reach an agreement which provided Tahltan people with significant business and employment opportunities. Initiatives stemming from the provincial Mine Development Review Process provided the Tahltan with the opportunity to influence decisions regarding natural resource development in the area in which they live. The Golden Bear Operating Company was in turn provided with a stable, local workforce and the chance to pursue a profitable mining opportunity.

History

Tahltan involvement in the mining industry began prior to the Golden Bear project with the Mount Klappan anthracite coal project. Although this project was put on hold prior to production, the work done by the Tahltan in preparation and negotiations with Gulf Canada Resources Ltd. provided the groundwork for their participation in the Golden Bear project.

Tahltan involvement with the Mount Klappan project was as follows. In 1984, Gulf Canada Resources presented a proposal for a major coal project at Mount Klappan in northwestern British Columbia. The project was located within the territory included by the Tahltan in their comprehensive claim.

In British Columbia, all new mining ventures are subject to the Province's Mine Development Review Process (MDRP). The MDRP requires multiple agency scrutiny of new mining ventures to identify potential socioeconomic, environmental/technical, and economic problems. Approval-in-principle, which allows the company to proceed with the mining development is not granted until all major policy or technical issues are resolved. As part of the MDRP, reports submitted to the Mine Development Steering Committee are circulated for comment to native groups affected by the mining proposal. Tahltan involvement started by taking advantage of this opportunity to make detailed commentaries on Gulf's proposal.

In order to resolve their differences and work towards a mutually satisfactory outcome, negotiations between the Tahltan and Gulf began in autumn 1986. Earlier in the year, the Tahltan Nation Development Corporation (TNDC) had been established as an umbrella organization to promote various large-scale business ventures. The negotiations with Gulf resulted in an agreement, which gave the TNDC a 100,000 ton trial cargo contract for mining and hauling Mount Klappan coal. The federal Native Economic Development Program provided assistance in the form of a $100,000 grant to the TNDC to help in negotiations, in establishing the construction division and in putting together the necessary equipment list for the project. Before plans were finalized and work could begin, however, the project was put on hold due to the difficulty that Gulf was experiencing in penetrating anthracite markets. Nonetheless, mineral rich northwest British Columbia was poised for development and the TNDC was established as a potential major player.

Golden Bear

In August 1986, Chevron Minerals Limited and North American Metals (B.C.) Corporation proposed the development of the Golden Bear gold/silver project. The Golden Bear property is also located in traditional Tahltan territory in northwestern British Columbia.

When the opportunity for involvement in Golden Bear came along, the Tahltan were eager to transfer some of the preparation work and knowledge gained from the Mount Klappan experience to this mining project.

Description of Mine

The Golden Bear mine site is located in a remote area approximately 135 kilometers west of Dease Lake and 80 kilometers northwest of Telegraph Creek. (see attached map) The project primarily affects three communities: Dease Lake, Telegraph Creek and the Iskut area. The Tahltan people are in the majority in the communities of Telegraph Creek and Iskut and compromise 50 percent of the permanent residents of Dease Lake. Approximately 1500 people live in the affected area, of which about 1000 are Tahltan.

The mine development included both open pit and underground workings, the construction of a processing mill with a design capacity of 360 tonnes per day, a 153 kilometer mine access road, tailing disposal site, water management structures, a camp and an improved airstrip. Construction began in March 1988. Peak construction workforce was estimated at about 200 people, with approximately 20 Tahltans working on the road and 35-60 at the site during the construction stage. The operations workforce is estimated at approximately 100, of which about 22 are Tahltans.

Surface workers operate on 2 week on/2 week off shifts. Underground miners operate on 4 week on/4 week off shifts. The mine site is a fly in/fly out operation, so the workers are housed at a camp on site.

The estimated production life at the mine is 5 to 7 years. Operations beyond that depend upon the profitability of future deposits. Mill production began in November 1989. Production levels are expected to reach 60,000 ounces of gold and 20,000-30,000 ounces of silver per year. Capital costs of the project were estimated to have reached $80 million by December 1989.

Company Structure

The Golden Bear Operating Company Limited was established to manage the Golden Bear project. It is a 50/50 joint venture between Chevron Minerals Limited and North American Metals Corporation. Homestake Mining (B.C.) Limited, a subsidiary of the American company, Homestake Mining, owns 73 per cent of the shares of North American. North American and Chevron each share in operating decisions and pay half of the costs of the Operating Company.

Tahltan Participation

When the British Columbia Mine Development Steering Committee informed the Tahltan of the proposal for the Golden Bear mine in 1986, the Tahltan Tribal Council (TTC) expressed concerns about the environmental and socioeconomic impact of the project. The Tahltan people felt the company's proposed route for the mine access road would pose a serious threat to moose and other wildlife of the area and disrupt key salmon spawning routes. Reservations were also expressed about the proposed method of tailings disposal. With the assistance of government funding, the TTC hired an environmental consulting firm to prepare a detailed analysis of the mine proposal.

Following lengthy discussions between the TTC, the TNDC, the mining company and the Mine Development Steering Committee, changes were made to the initial project proposal. The mine access route was relocated and the mine tailings pond redesigned to a land disposal site. Minor changes were also made regarding effluent treatment and atmospheric emissions. Tahltan participation in the Mine Development Review Process, coupled with their assertive stance, enabled them to voice their concerns and have an impact on the final decisions on project design.

Tahltan contributions to the preservation and enhancement of the environment received provincial recognition in the 1989 British Columbia Mines Minister's Environmental Awards. The award in the business category was given to the TTC and the TNDC for ensuring that road access to the Golden Bear Mine avoided habitat for grizzly bear, moose and salmon stocks.

The TTC and TNDC also realized the potential source of employment the Golden Bear project offered to the Tahltan people and the people of the surrounding communities. Negotiations between the mining company and the Tahltan resulted in the following benefits. With the aid of a $1.8 million federal government grant, the TNDC was able to buy equipment to increase their construction capabilities and open a heavy construction division, Spatsizi Construction. In March 1988, Golden Bear awarded Spatsizi a subcontract for construction of a portion of the 153 kilometer access road and a three-year general maintenance and upgrading contract on the completed road. Spatsizi Construction was also awarded a $1 million joint contract with Stewart Construction (a non-native firm) to build a settling pond dam for the mill. A further $5 million 5 year joint mining and ore hauling contract was also given to these two firms. As well, the company agreed to award 20 percent of all jobs at the new mine to Tahltan people and to offer job training.

Throughout the process, the Tahltan were very active in ensuring that their position and capabilities were understood. When the mining company attempted to move equipment to the mine site in early 1988, before any agreements were finalized, the Tahltan effectively blockaded them. This action proved to the company the seriousness of the Tahltan position and acted as a catalyst to finalize the agreement.

Government Involvement

Both provincial and federal governments gave assistance. Through the Mine Development Review Process, the provincial government provided the administrative framework in keeping with good corporate citizenship on the part of the mining company. This process provided an avenue for the Tahltan to voice their concerns about the project proposal. The role of the provincial Ministry of Native Affairs was crucial in coordinating the negotiations between the Tahltan, the company and other government departments, and ensuring that discussions continued. They acted as a mediator and broker of new ideas, serving to advise each side of the other's point of view. As well, the provincial Department of Highways assured $1.5 million worth of business was available for Spatsizi Construction to pursue over the next three years. This assurance was necessary because the $1.8 million federal grant to buy equipment depended upon the TNDC's business plan showing sufficient cash flow over three years to run a viable construction company.

Federal government assistance was primarily financial. As a result of the $100,000 from the Native Economic Development Program there already existed a construction division and partially prepared equipment list. Through the federal Resource Development Initiatives Program approximately $38,000 was given to the TTC to enable them to critique the Golden Bear development proposal. The Tahltan were thus able to become full participants in the MDRP.

The bulk of the federal government financial assistance was the $1.8 million grant from the Native Economic Development Program to buy equipment. This allowed the TNDC to successfully complete for business opportunities.

Benefits

The business and employment opportunities that originated from the Golden Bear project were, and continue to be, of significant benefit to the surrounding economies. An opportunity for year round employment was provided in a region where work was scarce. Previously, unemployment in Telegraph Creek among Tahltans was approximately 98 percent in the winter and 75 percent in the summer. Work on the Golden Bear project and with the TNDC contributed to a reversal of those statistics and employment levels reached approximately 85 percent during the 1989 summer. Summer work for 8 to 10 Tahltans was provided by the company at the open pit. By early 1990 the 20 percent job allotment translated into approximately 20 jobs for Tahltans. The greater proportion of jobs came from the TNDC. For the fiscal year ending March 31, 1990, 82 people had been employed (90 percent of whom were Tahltan) and approximately $2.1 million was paid in wages by the TNDC.

The construction and maintenance work on the Golden Bear access road and at the mine site, along with the work for the provincial Department of Highways provided the TNDC with the opportunity to qualify for a federal grant and expand their operations into heavy construction. More importantly, they were given the chance to prove their capabilities, develop a line of credit and build references. It gave them the track record to allow them to bid on other projects.

Employment with the mine and on the road crew provided valuable work experience for Tahltan employees. As well, Spatsizi Construction was in a position to offer certification and apprenticeship to its employees. Ten employees are presently scheduled to receive their certification as journeymen carpenters this year.

The Golden Bear experience gave the Tahltan people a chance to influence decisions regarding natural resource development in the area in which they live. They had to aggressively pursue this opportunity, but as a result were able to have their environmental and socioeconomic concerns addressed. Pressure from the Tahltan people provided the Mine Development Steering Committee with sufficient leverage to require that environmental issues received priority.

The TTC also had the opportunity to implement their position on natural resource development as laid out in their 1986 Policy Statement (attached). To summarize, the TTC does not oppose development, but feels strongly that it must adhere to some basic principles they've developed. The Tahltan people want to participate in development and receive the highest possible benefit from it.

The Golden Bear Operating Company also benefitted. Since the Tahltan are in the majority in nearby communities, they provide a local employment base. Despite initial reticence, the company is now pleased with its relationship with the Tahltan people and the employment arrangements negotiated. The company continues to hire and promote on the basis of skill and performance, and has had not experienced major problems with its workforce. Potential obstacles to development were removed because of the company's eventual willingness to address native concerns.

Costs

The main cost for the Tahltan people of the Golden Bear development has been an increase in social problems. Alcohol and drug abuse have risen with the increased cash flow. Existing social services have not been sufficient to address these problems. Access to medical facilities, social workers, police services, banking facilities, and housing has not kept pace with the economic development that has occurred.

As well, problems surfaced with the on-site training program. Most of the Tahltan young people had never worked in an industrial environment before and this led to misunderstandings with the foreman and other on-site workers. To address these concerns, the TTC recommended two policies. One: Hiring a native "assistant personnel manager" to look after native hiring. Two: Implementing a 12 week pre-employment program to cover basic training skills such as driver training, basic first aid, carpentry, and underground mining orientation. Due partly to lack of funding, these policies were never implemented.

Critical Success Factors

There were several reasons why the Golden Bear project resulted in significant benefits. One crucial factor was that all parties were committed to reaching a negotiated settlement. In addition to the mining company and the Tahltan, provincial government representatives and Cabinet members had the political will to see a solution.

Each party had something to offer, so there was balanced leverage. The mining company offered jobs, economic development and royalties. The province had the necessary regulatory power to determine whether or not the project would go ahead. Money was the key bargaining tool for the federal government. The Tahltan people offered job skills, and more importantly, they had the potential ability to blockade or stop the project by injunction if they so chose.

Timing was also important. The level of awareness regarding native issues had grown substantially amongst government workers and members of the legislature in recent years. A great deal of respect developed and continues for the development programs the Tahltans were striving to achieve.

Precedents and Overall Assessment

The Golden Bear experience sets a precedent in British Columbia and provides a message to other native groups, as well as to resource developers, the business community and the government. It indicates that mechanisms for dispute resolution are available to deal with conflicts over natural resources that don't require legislated solutions. Each party, however, must be committed to developing a working relationship based on some degree of trust, and be creative in devising solutions.

For government policy purposes, the lessons from this experience suggest that a flexible approach sensitive to local community needs is important. Addressing native concerns will gain increasing importance in future resource developments.

Finally, this case shows that by involving local native people in a mining development right from the start can prove beneficial for all parties .

TAHLTAN TRIBAL COUNCIL POLICY STATEMENT

In April 1987, the TTC issued a general policy statement on resource development and management. The following quotation illustrates the TTC's view towards resource development:

"Our present tribal objective is to increase our participation in all business that develops within the borders of our tribal territory so that we can again enjoy a self-sustaining, healthy and enterprising economy. We wish to make it very clear that Tahltan people and the Tahltan Tribal Council are not inherently opposed to any specific type of business or resource development within our country. However, we do feel strongly that any development within our tribal territory must adhere to some basic principles that the Tahltan Tribal Council has developed."

In order to achieve this the TTC recommends that project participation agreements be negotiated with developers. The eight main points to the policy are:

1. Assurance that the development will not pose a threat of irreparable environmental damage;

2. Assurance that the development will not jeopardize, prejudice or otherwise compromise the outstanding Tahltan aboriginal rights claim;

3. Assurance that the project will provide more positive that negative social impacts on Tahltan people;

4. Provision for the widest possible opportunity for education and direct employment-related training for Tahltan people in connection with the project;

5. Provision for the extensive employment opportunities for Tahltan people with respect to all phases of the development;

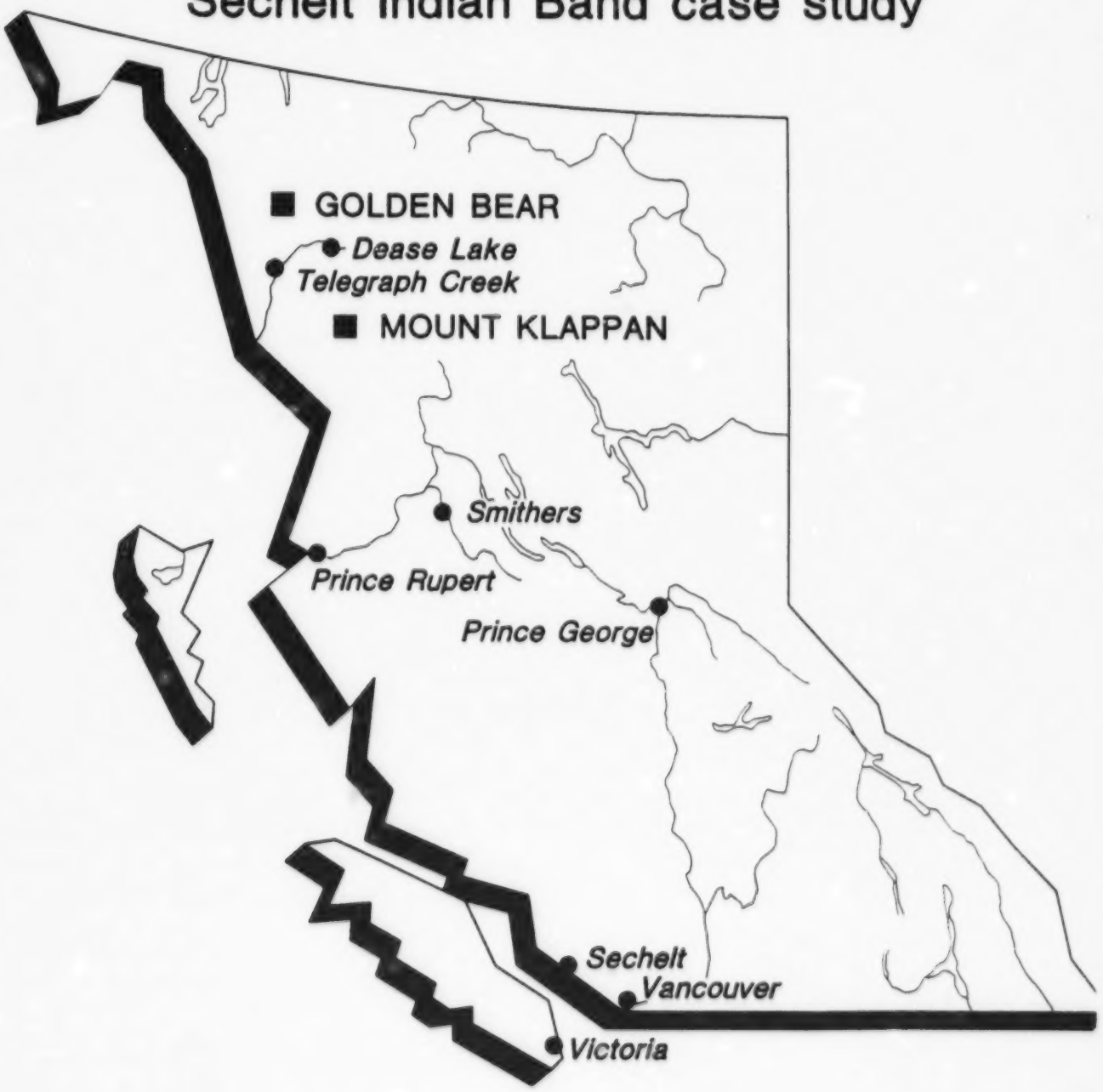
6. Provision for substantial equity participation by Tahltans in the total project;

7. Provision for the extensive development of Tahltan business opportunities over which the developer may have control or influence;

8. Provision for the developer to assist the Tahltans to accomplish the objectives stated above by providing financial and managerial assistance and advice where deemed necessary.

BRITISH COLUMBIA

Tahltan-Golden Bear case study
Sechelt Indian Band case study



SECHELT INDIAN BAND CASE STUDY

Since the Sechelt Indian Band of British Columbia achieved self-government in 1986, they have overseen the development of a large sand and gravel operation on Band lands. Stage II of the project is not yet complete, but already economic benefits are evident for Sechelt Band members, the company, the provincial government and neighbouring communities.

Profile of Sechelt Band

The Sechelt Indian Band is located on the Sunshine Coast of British Columbia, just west of Vancouver.(See attached map) Sechelt Band land includes over 2,500 acres of land, much of which has very good development potential. Relative to most Indian Bands, the Sechelt Band has a high level of economic development. Many Band members are employed in local logging or service industries. The Band, itself, has participated in economic ventures both on and off Band lands. They are corporate partners in the Forstar/Marine Way group of companies which over the past five years has been active in the export business and has built a custom manufacturing facility in Maple Ridge, British Columbia. As well, the Band manages a food-fish operation and is part owner of Sechelt-based Tyee Airways Limited. This latter floatplane operation provides a triangle air service between Sechelt, Nanaimo and Vancouver.

There are approximately 760 Sechelt Band members living in the area, of which about 550 live on Band lands.

History of the Sand and Gravel Development

In early 1970, Sechelt Aggregates Limited presented a proposal to mine the sand and gravel resources on Sechelt Indian Reserve #2. Sechelt Aggregates had explored the area and estimated that on the Reserve land and adjacent Crown land there were gravel supplies to support between 30 and 40 years of production. An estimated 20 million ton deposit lay within the Reserve itself and an estimated 100 million tons of gravel lay on the adjoining Provincial Crown land. To make the operation viable, the gravel company needed access to both deposits. There was not enough gravel on the Reserve alone to justify building a processing plant and developing a major operation. As well, access through the Reserve was necessary for the Provincial Crown gravel to be extracted.

At the time, a deal was worked out between Sechelt Aggregates and the Provincial Government to mine the sand and gravel on the Crown land.

Obstacles, however, were encountered when it came to making arrangements for extracting the sand and gravel resources on the Reserve lands. Under the *Indian Act* legal restrictions are imposed on disposition of Reserve lands and resources. This law establishes that Indian Bands do not hold a legal title to their reserve lands. Rather, legal title is held by the Government of Canada on behalf and for the use and benefit of the band, while the Band has the right to lawfully use, occupy or possess reserve land. The *Indian Act* governs how Indian Bands, Band members and non-Indians can dispose of reserve lands, and sets out a special land-holding system on reserves, called certificates of possession. Interest in Reserve lands can only be granted if approval is given by both the Indian Band and the Federal Government.

Two difficulties arose. One was with the required Band surrender process and the other was with the proposed Option Agreement.

The purpose of a surrender is the means by which title to Indian reserve lands, including minerals, are conveyed to private persons or corporations. It is an instrument which permits any person or corporation other than a band member to use or occupy land with the permission of the Minister and the Band. According to section 38(2) of the *Indian Act* a surrender may be either absolute or qualified, conditional or unconditional.

Under the restrictions of the *Indian Act*, the only practical way to proceed with the proposed sand and gravel operation on Reserve land was through a Band surrender of the land. This process would allow the Reserve land to be leased to the company for development. The procedures for the Band surrender process are laid out in the *Indian Act*. A number of steps are required which can greatly extend the start-up period for development.

Some of the requirements of the surrender process are as follows. A surrender can only be made to Her Majesty the Queen as represented by the Federal Department of Indian and Northern Affairs (DIAND). The surrender must be approved by a majority of the electors of the Band at a general meeting called by the Band Council for the purpose of obtaining a surrender vote. Before holding a surrender meeting, the Band Council must inform Band members and DIAND exactly what is being proposed. The Band Council is also required to post a notice of surrender providing the same information as the letter at least 30 days prior to the surrender meeting. A list of voters must be posted at least 15 days before the surrender meeting and if the list is not posted correctly, the surrender meeting and vote may be challenged. If required, an interpreter must be available. An officer for DIAND must attend the meeting and read the proposal to the Band electors at the meeting. There must be a written record of what is said, discussed and agreed to at the meeting. Requirements for the Minutes of the Meeting are laid out in the *Indian Act*. When a surrender proposal is accepted by the Band electors, it is sent to DIAND for approval by the Minister and completion of the necessary documentation. The surrender is then registered by DIAND.

The company wanted to proceed with the development by entering into a five year Option Agreement. This would allow the company time to survey the property and carry out a feasibility study. Then, if at any time during the option period the company decided they wanted to develop the land, they would be granted the sole and exclusive option to enter into a lease for the Reserve land under the terms and conditions outlined in the Agreement and Surrender.

Sechelt Aggregates and the Sechelt Indian Band signed the Option Agreement in March 1984. Consent of the Federal Government, however, was also required before the Agreement could take effect and the Federal Government refused to sign the Agreement.

The timing of the surrender process was the problem. The Band wanted to wait until the company was certain they would be exercising their option before the Band surrender occurred. The Band Council felt it would be difficult to get members to vote to surrender their land for a development that was uncertain and possibly five year away. At that time, under the terms of the prevailing *Indian Act*, once a Band surrender occurred, the land was no longer "Indian Reserve land" within the meaning of the *Indian Act* and it was felt that the Band Council lost control over it. Hence, they were reluctant to surrender this piece of land unless development was definite. Included in the Option Agreement was a clause that stipulated if the Band electors did not vote in favour of the surrender, the Sechelt Indian Band would return all payments made to the Band to Sechelt Aggregates.

The Federal Government, on the other hand, wanted the Sechelt Indian Band to surrender their land prior to entering into the Option Agreement. They were concerned about the

possible legal ramifications if the Band voted not to surrender the land after the company had decided to exercise their option.

Before an arrangement could be worked out, if in fact one was possible, citizens in neighboring communities raised concerns regarding the potential environmental impacts of the project. These protests coupled with the cumbersome procedural obligations precluded a deal from being made.

Self Government

In 1986, the Sechelt Indian Band achieved self-government. This resulted in a partial elimination of the *Indian Act* as it affected the Sechelt Band. The federal *Sechelt Indian Band Self-Government Act* and the provincial *Sechelt Indian Government District Enabling Act* did not give the Sechelt Band a constitutionally entrenched and recognized right to self-government, but did provide the Band with the authority "to exercise and maintain self-government on Sechelt lands and to obtain control over and the administration of the resources and services available to its members." With the new legislation, all rights, titles, interests, assets, obligations, and liabilities as they applied to Band land were vested with the Sechelt Indian Band. The *Indian Act* continues to apply except where it is inconsistent with the new legislation The Sechelt Band became a legal entity, capable of entering into contracts, acquiring and holding property, expending or investing money, borrowing money, and suing or being sued. The Band was also granted title in fee simple to all of its reserve lands, along with the full power to dispose of these lands and resources in accordance with its constitution.

On the day self-government was achieved, the Sechelt Indian Band redrafted the Option Agreement and it was executed as a valid binding contract.

Description of the Operation

The sand and gravel operation is currently in Phase II of development. Phase I involved construction of a plant, a barge load out ramp and an excavation site on Band lands. Phase II will add the Crown sand and gravel resources to the operation. When Phase II is complete, approximately 20 people will be employed, working on a two shift schedule. The operation has the potential to become the largest of its kind in North America.

The present owner and developer is Sechelt Aggregates Limited, a subsidiary of Vancouver-based Ocean Construction Supplies Limited. The company has changed ownership since the initial development was proposed in 1970.

The plant is unionized by the International Union of Operating Engineers Local 115. All sand and gravel must be transported across Band lands .

Benefits

The Sechelt Band has already received significant economic returns from this development and these will continue for many years to come. The Sechelt Band collects a lease rental fee for the plant site, royalties for the sand and gravel and Riparian Fees for the off-loading facility in Trail Bay. Once Sechelt Aggregates starts extracting Crown gravel in Phase II, the Sechelt Band will get a transportation fee for gravel travelling across their lands. The royalties paid are being used by the Sechelt Band to further their economic development.

An Agreement was worked out between the Sechelt Band and the company which called for 20 per cent of all jobs to be given to Sechelt Band members. To date, five Sechelt Band members have received jobs in the operation and more jobs are expected as the development proceeds. To facilitate this process, the company agreed to post all job openings in the Band Office. In some instances, the Band has supplied the company with eligible candidates. Given the skill level of many of the Sechelt Band members, special training was not necessary.

Other benefactors are the Government of British Columbia, who gets paid royalties for the Crown gravel and Sechelt Aggregates who gets to operate their business. As well, other members of nearby communities have received jobs.

The spinoff effects to the local community during plant construction were significant. The company brought in their own equipment to set up the plant, and hired and paid all contractors and subcontractors to assemble the plant. Most of the jobs were tendered out to local contractors and so most of the revenue remained in the area.

Critical Success Factors

Both the company and the Sechelt Indian Band believe that because of self-government there was less "red tape" involved, which expedited the process and allowed the development to proceed. It was now only necessary for the company to reach an agreement with one party - the Sechelt Indian Band.

As well, both parties were committed to seeing the development happen. For the Sechelt Indian Band, an opportunity was presented for them to show that under self-government they could manage their own economic affairs for the benefit of everyone. For the company, the economic rewards of developing the resource were obvious.

Overall Assessment

The development of the sand and gravel operation on Sechelt Band lands presents a unique case. The Sechelt Band is located near a major urban center and its members are active participants in the local community. To date, there are few instances of self-government for native people in Canada. While several of the land-claim agreements have special provisions for self-government, there are only two cases of special legislation to create self-government - for the Cree and Inuit people of Quebec and for the Sechelt people of British Columbia. The Sechelt Indian Band believes self-government has provided them with the opportunity to take charge of their own economic affairs and participate in a successful mining development.

SUMAS CLAY PRODUCTS LTD.

Location

The Upper Sumas Indian Reserve No. 6 is situated at the town of Kilgard, approximately 10 kilometres east of Abbottsford in the lower mainland of southwest British Columbia. The Band-owned company Sumas Clay Products Ltd. (Sumas Clay) has operated a brick manufacturing plant since 1981 and a small open pit clay and shale mine since 1986 on Sumas Mountain.

The operation on the Upper Sumas Indian Reserve No. 6 is a complete shale and clay mining, processing and brick production facility. The facilities and plant were purchased from a non-native company which operated the plant and had held a lease for the site for many years. The plant site occupies an area of approximately 4 hectares (10 acres). The mine covers approximately 2 hectares (5 acres), a short distance away in the north-west corner of the reserve.

The following represents a chronology of events from the first lease operation on-reserve up to the present:

1910 - The Sumas Indian Band entered into the first lease to permit a private company to establish a manufacturing facility on Upper Sumas Reserve No. 6.

1918 - An agreement was entered into to permit surface and underground mining on the reserve to feed the plant's requirement for raw clay.

1932 - A twenty-one year lease for the plant and mining operations was renewed for a second term.

1948 - Clayburn Company Ltd. (Clayburn) acquired the plant and mines on reserve and entered into a new lease. The plant produced clay pipe and brick for the local and American markets.

1970 - Flex-Lox Industries Ltd. (Flex-Lox) took over the factory and began producing chimney flue liners and sewer pipe.

1978/79 - The plant was virtually shut down, however, the Flex-Lox lease would not expire until 1995. Only a handful of workers were employed carrying out final clean-up and maintenance duties. Flex-Lox informally indicated to the Chief of the Sumas Band that the company would be willing to sell the operation to the Band.

- The Sumas Band set up a committee to determine the feasibility of a Band-owned operation on the site.

- The Band approached DIAND for assistance and advice on funding for the purchase of the plant.

1980 - Sumas Clay was formed and purchased the plant, machinery and inventory from Flex-Lox. The operation went into production utilizing purchased raw material.

1981 - DIAND, at the Band's request, began a two year geological and drill program to determine the presence and quality of clay and shale on reserve.

1985 - Sumas Band applied for second round of funding, this time for the development of the open pit mine and plant modernization.

1986 - The on-reserve mine was opened and went into immediate production to feed the plant.

First Steps

In 1978, faced with the news of the pending closure of the Flex-Lox operation and the resulting loss of jobs on reserve, the chief and a small group of Band members conceived the idea of the Band taking over the business and running it themselves. They considered that a strong market existed for brick and specialty products in the Vancouver area and calculated that if the plant were modernized and managed effectively, a viable commercial enterprise was possible. This enterprise had additional potential in that if owned, operated and controlled by the Band all the benefits of such an undertaking would stay on reserve.

The Sumas Band set up a committee in 1979 to determine the economic feasibility of taking over the clay pipe plant. The Band hired the president of a provincial marketing board to act as committee chairman. The issues considered by the committee were the factors which lead to the plant shut-down in the first place, such as: climbing energy costs; equipment upgrading costs estimated at $50,000; and the lack of information regarding the supply of raw material.

They approached the Department of Indian Affairs and Northern Development (DIAND) Vancouver District office with the purpose of determining what processes and procedures were involved in the application for funding assistance for their proposal.

Funding

Initial purchase: July, 1980

Early on in the negotiations and discussions leading up to the purchase, a close relationship was established with the business services officers of the DIAND district offices to assist in locating, negotiating, and applying for funds. The Band credits much of the success of the start-up of the enterprise to these officers who were supportive, enthusiastic, open minded and provided valuable assistance to the Band.

In order to make up the purchase price to acquire the plant and facilities and meet the costs of studies, many sources of funds were accessed:

- After discussion and garnering the agreement and support of the entire Band membership, all the Band funds accumulated from the leases for the plant site held in trust in Ottawa were committed to the purchase ($50,000).

- Local Employment Assistance Program (LEAP)(Employment and Immigration Canada) provided $100,000. This funding mechanism was discontinued in 1982-83.

- The Agricultural and Rural Development Agency (ARDA) provided $250,000. This was a Federal - Provincial funding program established under the Economic Regional

Development Agreement (ERDA) between Canada and British Columbia. The current program, called the Agri-food Regional Development Subsidiary Agreement, is scheduled to sunset in September, 1990.

- British Columbia First Citizens Fund contributed $75,000. This provincial government program, operated through the All Nations Trust Company located in Kamloops, is now mainly a loan fund with no contributions.

- Due to the potential loss of jobs resulting from the closure of the plant, Employment and Immigration Canada funded a $30,000 brick marketing study. This study was instrumental in the decision to go ahead with the purchase and in garnering support and funding for the entire enterprise.

- The geological staff of DIAND conducted two diamond drilling programs on the reserve to determine the presence and characteristics of shale and clay at a cost of approximately $40,000 over three years.

From 1980 to 1986, all the raw material required by the operation for the brick-making process was purchased from private sector suppliers such as the Clayburn open pit. This mine occupies the upper elevations of Sumas Mountain immediately to the north-east of the reserve. As this was the only producing source of shale in the immediate vicinity, Sumas Clay Products Ltd. was vulnerable to artificially high prices and uncertain supply.

The 1981-82 geological study and drilling program conducted by DIAND was at the request of the Band in order to determine the location, quality and quantity of mineable shale and clay on the reserve. The results of the study showed that reserves of 300,000 to 500,000 tonnes of shale and clay in various qualities were present on the reserve. This knowledge was essential in view of the plan to establish an open pit mine at the site at some future date.

In 1985-86 Sumas Clay applied for grants again. This time grants under the Native Economic Development Program (NEDP) were requested for the development of the open pit mine, hiring of executive staff, and modernization of the facilities in the plant. Negotiations established an outline for the plant modernization and mine development totalling $1.6 million. NEDP approved $932,000 in funding requiring Sumas to contribute $721,000 towards the defined goals. Of the approved $932,000 NEDP has released only a total of $354,000 to Sumas Clay, all of which has been applied to mine development and plant upgrading.

MINE DESCRIPTION

During the discussions with Sumas Clay and at their request, DIAND contracted a mining engineer to produce a preliminary open pit design and plan for bulk testing.

This initial design, combined with much geological and engineering investigation formed the base development plan for the mine. Following this, Sumas Clay has continued contracting for the expert mine design and planning services as required.

The mine produces about 30,000 tons of shale and clay annually, all the material goes to feed the brick plant operation. This production has a current value of $400,000 per year. Estimated life of the open pit mine at current production levels is thirty years.

Actual mining is conducted seasonally to meet the raw material requirements of the brick plant and to coincide with favourable weather conditions. The process is comprised of several stages and adheres closely to the open pit design provided by professional mining engineers. The mine plan incorporates a system of levels and benches to control the height and depth of the working faces as the pit increases in size on the slopes of the mountain.

Initially, vegetation is cleared from the land and usable timber is stockpiled for the use of the Band members or sold. Topsoil and other waste material is scraped off down to bedrock and also stockpiled for later use in rehabilitating the pit or sold as land-fill. With the sandstone bedrock which overlies the shale and clay exposed, a two or three man crew use pneumatic drills to make blast holes to 3 to 3.5 metres depth (10 or 12 feet). Once blasted, this material is moved by bulldozer or loader and piled in an area adjacent to the pit.

The shale is blasted the same way, or ripped with bulldozers and trucked the short distance to the crusher situated on the plant site. When the processing is complete the clay is placed in storage bins for use as required.

PROVINCIAL PARTICIPATION

Early in the mine development process, the Band established a good working relationship with the provincial mines inspector. This was to ensure that the mine was operated in accordance to accepted and established provincial mining practices and standards.

Correspondence and discussions with the mine inspector enabled the company to proceed and conform to the sections of the *British Columbia Mining Act* pertinent to the mine development and operation. All requisite provincial permits have been acquired and the mine continues to produce and expand.

THE COMPANY

Current employment at peak operating levels consists of 40 labourers, of which only four are non-native. Between 25 and 30 percent of the plant labour is hired from neighbouring Bands and reserves including Cheam, Matsqui, Scowkale and others. Of this total number, five to eight staff and contract workers are employed in the mine during the periodic production activities.

The population of the Upper Sumas Indian Reserve No. 6 according to 1987 figures (DIAND June 1, 1987) was 124, with 57 males and 67 females. The population as of June 30th, 1990, has risen to 196 with the recent changes under Bill C-31. The plant and mine represent the most significant source of employment for the Band.

Initially, the operations experienced some staffing problems such as employee tardiness and absenteeism. This was addressed quickly, fairly, and firmly with immediate dismissal applied in many cases. The company continues to operate on the basis of expecting high standards from employees with very successful results.

The management of the plant takes seriously their role in contributing to the education of the young Band members. One way they do this is to discourage complacency in the young people they hire in the plant regarding their level of education. They assign the more menial tasks to those workers who fail to pursue at least their high school diploma, to convince them of the value of higher education.
Senior management is Native, and all their skills and abilities were acquired and developed

during terms as chief, as Band councillors and from on the job experience during the start up and operation of the enterprise. They were also fortunate that the other nearby mining and brick company, Clayburn, looked favourably on the Band's operation and advised and assisted them on occasion, despite the fact that they were in direct competition with them.

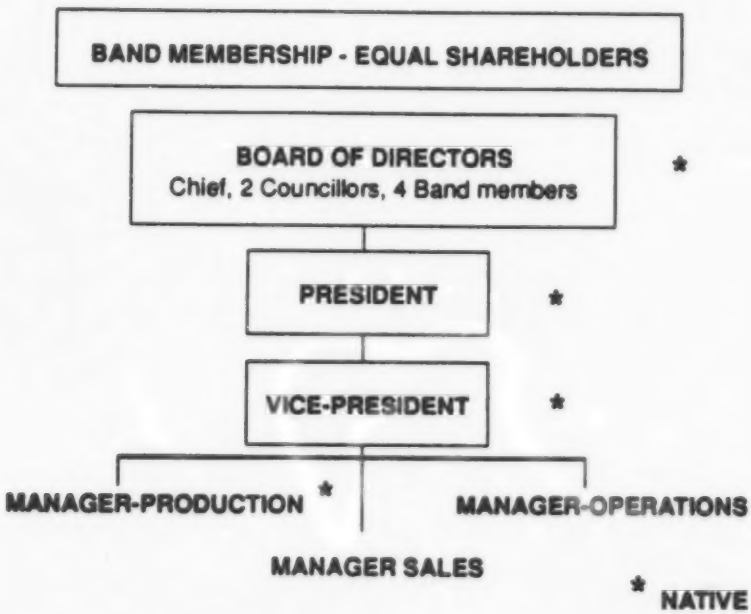
The key position in the area of production is held by a Native with thirty years of experience in mining and manufacturing acquired with Clayburn, Flex-Lox and other operators in the area.

These and a small number other of Band members, few with any high school education, were the prime movers in the acquisition and smooth operation of the company. They used determination and an ability to seek out the technical advice and assistance they needed to achieve their goals in an arena that was initially very foreign to them.

Non-native professionals are employed in the areas of engineering, accounting (CGA), sales and production. The Band takes advantage of contracting for the necessary professional, scientific, and engineering services as required.

The operation supports an apprenticeship training program and presently has two Native journeyman millwrights employed full time.

The chart below outlines the organization of the Band's participation and control in Sumas Clay.



Historically, fishing the Fraser River for salmon and sturgeon was a major cultural activity of the Sumas Indians and other Bands in the region. To operate their business successfully and still permit the Band members to pursue these activities important to their way of life, the company has trained all the workers in three different jobs in the plant. This enables all facets of the operation to be fully staffed when employees apply for time off to go fishing. Even the management have donned coveralls and pulled a shift in the plant during the height of the fishing season.

BENEFITS TO BAND

The Band membership participates in the Sumas Clay operation as equal shareholders. The Board of Directors which controls the operation is chaired by the chief and includes two councillors and four elected Band members. This distribution incorporates all the Band political factions such as the elected council, the influential Band families and the general membership.

The Band benefits in many ways as a result of having a strong Native business enterprise on their reserve. The employment benefits are obvious. In 1989, salaries paid to all levels of employees totalled approximately $900,000. The mine and plant provide a vehicle for training opportunities in the areas of apprenticeships and also exposure to business, mining, accounting and marketing practices. This exposure can and will carry over to other opportunities on and off reserve and open new incentives for the reserve's young people to pursue higher levels of education and new avenues when entering the job market.

BENEFITS TO LOCAL COMMUNITIES

The local communities of Abbottsford and Mission both reap the benefits of having a significant contributor to the local economy in their area.

The managers of Sumas Clay are strong supporters and users of the local supply and service industry and know very well the importance of maintaining a good relationships with this sector. Expenditures in the local communities totalled more than $85,000 in 1989.

A leading member of the local chamber of commerce described the Sumas operation as an excellent example of a young company in a difficult and complex industry, achieving success through hard work and determination, and competing equally within the private sector.

COSTS

Currently, private sector lending institutions are reluctant to consider commercial loans to Native enterprises due to the perception of higher risk. The management of Sumas Clay stated that being limited to acquiring funding through the system of government grants has made their success less certain than it would may have been under a normal business loan system. The implementation of government funding organizations programs is not, in their opinion, conducive to efficient business planning due to long complex application procedures and delays in approvals and release of funds.

The issue regarding the balance of the NEDP grants was reviewed by the company to determine the desirability of pursuing this source of funding. Due to the burden of red-tape associated with the new Canadian Aboriginal Economic Development Strategy (CAEDS), Sumas Clay decided to alter their original modernization plans and continue without further government funding.

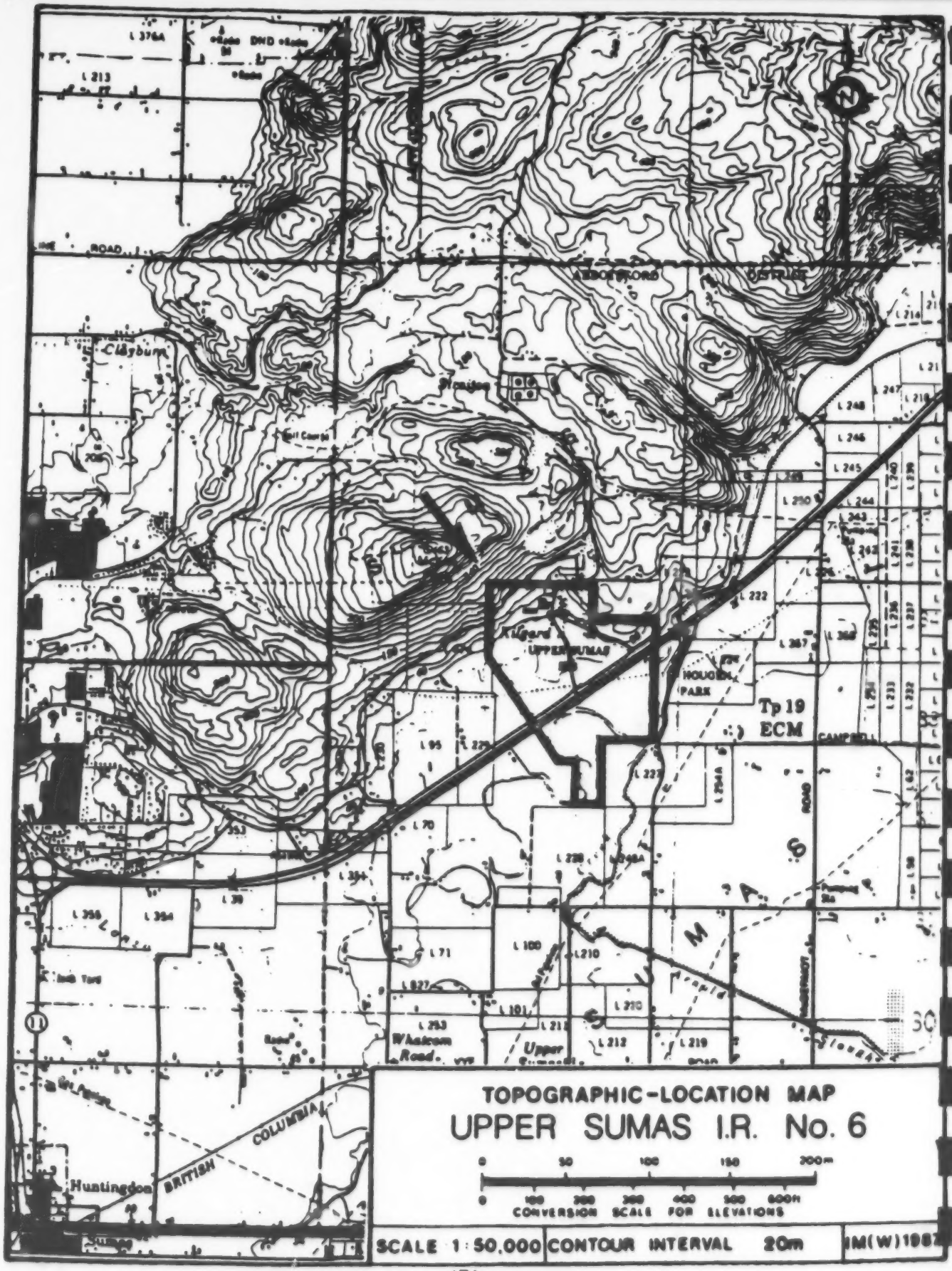
Since the opening of the mine on Sumas Mountain the question of ownership or title of certain roads on-reserve which are used to access the mine and haul the clay has become an issue. The dispute lies between the Municipality of Abbotsford (which historically maintained and improved the road) and the Band, whose heavy use of the road for hauling trucks and for pit access was supported by an understanding that the route belonged to the Band. Through much discussion and negotiation on the part of DIAND, the Band and the

municipality the dispute has been temporarily laid to rest. This is largely due to the reluctance of both the municipality and the department to pursue complex legal negotiations until further research is conducted on the historical land records.

An issue which recently developed and may affect the operation is the attempt by the municipality to apply a tax for the use of the municipality's roads. Principally the issue is whether the Band will be taxed in the same manner that the off-reserve private sector mine and quarry operators are, in order to pay for their heavy use of roads and their maintenance. Negotiations by the Band and DIAND have attempted to a resolve this issue. At the present time the outcome appears to be in favour of the Band operation pending the resolution of the on-reserve road ownership matter.

LOCATION MAP

★ UPPER SUMAS INDIAN RESERVE #6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